

# AGENDA

## Utah Counties Indemnity Pool Board of Directors Meeting

Friday, June 21, 2019, 8:30 a.m.

Capitol Reef Resort, 2600 E Hwy 24, Torrey, UT

|             |   |                |
|-------------|---|----------------|
| 8:30        | Open Meeting, Pledge of Allegiance  | Bruce Adams    |
| <b>ITEM</b> | <b>ACTION</b>   |                |
| 1.          | Welcome and Introductions   | Bruce Adams    |
| 2.          | Review/Excuse Board Members Absent  | Bruce Adams    |
| 3.          | Review/Approve April 18 and May 2, 2019 Meeting Minutes   | Mike Wilkins   |
| 4.          | Ratification/Approval of Payments and Credit Card Transactions  | Mike Wilkins   |
| 5.          | Ratification of Final 2018 Audited Financial Statements   | Sonya White    |
| 6.          | Review/Approve Member 2018 Equity Allocation  | Sonya White    |
| 7.          | Review/Approve URS Contribution Rates July 1, 2019 – July 1, 2020   | Sonya White    |
| 8.          | Review/Approve 2020 Projected Budget  | Sonya White    |
| 9.          | Review/Approve Nationwide Fixed Annuity Contract Amendment  | William Cox    |
| 10.         | Review/Approve WCF Insurance Joint Purchase Program Agreement   | Johnnie Miller |
| 11.         | Review/Approve Excess Cyber Limit Increase  | Johnnie Miller |
| 12.         | Review/Approve Board Meeting Rules of Order and Procedure Policy Amendments   | Johnnie Miller |
| 13.         | Review/Approve Board Member Training Policy Amendments  | Johnnie Miller |
| 14.         | Review/Approve Bylaws Coverage Addendum Amendments  | Johnnie Miller |
| 15.         | Review/Approve GRAMA Policy Amendments  | Sonya White    |
| 16.         | Review/Approve Investment Policy Amendments   | Sonya White    |
| 17.         | Review/Approve Minutes Recordings and Records of Meetings Policy Amendments   | Sonya White    |
| 18.         | Review/Approve Personal Use of Public Property Policy   | Johnnie Miller |
| 19.         | Review/Approve Purchasing Policy Amendments   | Sonya White    |
| 20.         | Review/Approve Records Retention Policy Amendments  | Sonya White    |
| 21.         | Review/Approve Underwriting Policy  | Sonya White    |
| 22.         | Review/Approve County Related Entities Membership   | Mike Wilkins   |
| 23.         | Set Date and Time for Closed Meeting to Discuss Character, Professional Competence, Physical/Mental Health of an Individual | Bruce Adams    |
| 24.         | Action on Personnel Matters   | Bruce Adams    |
| 25.         | Set Date and Time for Closed Meeting to Discuss Pending or Reasonably Imminent Litigation                                   | Bruce Adams    |
| 26.         | Action on Litigation Matters  | Dale Eyre      |
|             | <b>INFORMATION</b>  |                |
| 27.         | Chief Executive Officer's Report  | Johnnie Miller |
| 28.         | Other Business  | Bruce Adams    |

Electronic Meeting Notice: 515-604-9807, Participant Passcode: 675642 Anchor Location: 2600 E Hwy 24, Torrey, UT



# Entity: Utah Counties Indemnity Pool

## Body: Board of Directors

**Subject:** Administrative Services

**Notice Title:** Board of Directors Meeting

**Meeting Location:** 2600 E Highway 24

Torrey 84775

**Event Date & Time:** June 21, 2019  
June 21, 2019 08:30 AM - June 21, 2019 11:30 AM

**Description/Agenda:** Open Meeting, Pledge of Allegiance  
Welcome and Introductions  
Review/Excuse Board Members Absent  
Review/Approve April 18 and May 2, 2019 Meeting Minutes  
Ratification/Approval of Payments and Credit Card Transactions  
Ratification of Final 2018 Audited Financial Statements  
Review/Approve Member 2018 Equity Allocation  
Review/Approve URS Contribution Rates July 1, 2019 - July 1, 2020  
Review/Approve 2020 Projected Budget  
Review/Approve Nationwide Fixed Annuity Contract Amendment  
Review/Approve WCF Insurance Joint Purchase Program Agreement  
Review/Approve Excess Cyber Limit Increase  
Review/Approve Board Meeting Rules of Order and Procedure Policy Amendments  
Review/Approve Board Member Training Policy Amendments  
Review/Approve Bylaws Coverage Addendum Amendments  
Review/Approve GRAMA Policy Amendments  
Review/Approve Investment Policy Amendments  
Review/Approve Minutes Recordings and Records of Meetings Policy Amendments  
Review/Approve Personal Use of Public Property Policy  
Review/Approve Purchasing Policy Amendments

Review/Approve Records Retention Policy Amendments  
Review/Approve Underwriting Policy  
Review/Approve County Related Entities Membership  
Set Date and Time for Closed Meeting to Discuss  
Character, Professional Competence, Physical/Mental  
Health of an Individual  
Action on Personnel Matters  
Set Date and Time for Closed Meeting to Discuss  
Pending or Reasonably Imminent Litigation  
Action on Litigation Matters  
Chief Executive Officer's Report  
Other Business

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**Notice of Special  
Accommodations:**

In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify Sonya White at the Utah Counties Indemnity Pool, 5397 S Vine St, Murray, UT 84107-6757, or call 801-565-8500, at least three days prior to the meeting.

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**Notice of Electronic or  
telephone participation:**

Any Member of the Utah Counties Indemnity Pool Board of Directors may participate telephonically.

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**Other information:**

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**Contact Information:**

Sonya White  
(801)307-2113  
sonya@ucip.utah.gov

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**Posted on:**

June 17, 2019 09:57 AM

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**Last edited on:**

June 17, 2019 09:57 AM

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Printed from Utah's Public Notice Website (<http://pmn.utah.gov/>)



# Entity: Utah Counties Indemnity Pool

## Body: Board of Directors

|                               |   |
|-------------------------------|---|
| <b>Subject:</b>               | Administrative Services   |
| <b>Notice Title:</b>          | Board of Directors Strategic Planning Meeting   |
| <b>Meeting Location:</b>      | 2600 E Highway 24<br>Torrey 84775   |
| <b>Event Date &amp; Time:</b> | June 19, 2019<br>June 19, 2019 08:30 AM - June 20, 2019 05:00 PM  |
| <b>Description/Agenda:</b>    | <div>Llama Day Hike</div> <div>Lunch: Capitol Reef Resort</div> <div>Strategic Planning Introduction</div> <div>Board Member Training</div> <div><ul style="list-style-type: none"><li>- Fiduciary Responsibilities</li><li>- Ethics</li><li>- Open Meetings Act</li></ul></div> <div>Management Reports</div> <div><ul style="list-style-type: none"><li>- Claims</li><li>- Financial</li><li>- Rating</li></ul></div> <div>Review of Bylaws Coverage Addendum</div> <div>Committee Reports</div> <div><ul style="list-style-type: none"><li>- Audit</li><li>- Education</li><li>- Governance</li><li>- Membership Approval</li><li>- Nominating</li><li>- Human Resources</li></ul></div> <div>Review of Key Policies</div> <div><ul style="list-style-type: none"><li>- Board Meeting Rules of Order and Procedure</li><li>- Board Member Training</li><li>- GRAMA</li><li>- Investment</li><li>- Minutes Recordings and Records of Meetings</li><li>- Purchasing</li><li>- Records Retention</li></ul></div> <div>Lunch: Capitol Reef Resort</div> <div>Review of New Policies</div> <div><ul style="list-style-type: none"><li>- Personal Use of Public Property</li></ul></div> |

- Underwriting  
Strategic Plan
- Mission, Goals and Objectives
- Coverages and Services

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**Contact Information:**

Sonya White  
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**Posted on:**

June 17, 2019 10:30 AM

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June 17, 2019 10:30 AM

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# UTAH COUNTIES INDEMNITY POOL

## BOARD OF DIRECTORS' MEETING MINUTES

June 21, 2019, 8:30 a.m.

Capitol Reef Resort, 2600 W Highway 24, Torrey, Utah

### BOARD MEMBERS PRESENT

Bruce Adams, *President*, San Juan County Commissioner  
William Cox, *Vice President*, Rich County Commissioner  
Dean Cox, Washington County Commissioner  
Dale Eyre, Sevier County Attorney  
Scott Jenkins, Weber County Commissioner  
Jim Kaiserman, Wasatch County Surveyor  
Mark Whitney, Beaver County Commissioner  
Mike Wilkins, Uintah County Clerk/Auditor

### BOARD MEMBERS PRESENT TELEPHONICALLY

Karla Johnson, *Secretary/Treasurer*, Kane County Clerk/Auditor

### BOARD MEMBERS ABSENT

Alma Adams, Iron County Commissioner  
Deb Alexander, Davis County Human Resources Director  
Blaine Breshears, Morgan County Sheriff  
Bob Stevenson, Davis County Commissioner

### OTHERS PRESENT

Johnnie Miller, UCIP Chief Executive Officer  
Sonya White, UCIP Chief Financial Officer  
Korby Siggard, UCIP Claims Manager

### Call to Order

Bruce Adams called the meeting of the Utah Counties Indemnity Pool's Board of Directors to order at 8:30 a.m. on June 21, 2019 and welcomed those in attendance.

### Review/Excuse Board Members Absent

William Cox made a motion to excuse Alma Adams, Deb Alexander, Blaine Breshears and Bob Stevenson from this meeting. Jim Kaiserman seconded the motion, which passed unanimously.

### Review/Approve April 18 and May 2, 2019 Meeting Minutes

The draft minutes of the Board of Directors meeting held April 18, 2019 and the Telephonic Conference of the Board of Directors held May 2, 2019 were previously sent to the Board Members for review (see attachments numbers one and two). Jim Kaiserman recommended that the April 18, 2019 minutes be amended to clarify that he had left the meeting before the Board went into closed session. Mike Wilkins made a motion to approve the April 18, 2019 Board of Directors meeting minutes as amended, and the May 2, 2019 Board of Directors Telephonic Conference minutes as written. Scott Jenkins seconded the motion, which passed unanimously.

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## UTAH COUNTIES INDEMNITY POOL

5397 S Vine Street, Murray, UT 84107-6757  
(801)565-8500 [ucip.utah.gov](http://ucip.utah.gov)

#### **Ratification/Approval of Payments and Credit Card Transactions**

Mike Wilkins reported that he reviewed the payments made, the payments to be made and the credit card transactions of the Pool as of June 21, 2019 (see attachment number three). Mike Wilkins made a motion to approve the payments made, the payments to be made and the credit card transactions as presented. Jim Kaiserman seconded the motion, which passed unanimously.

#### **Ratification of Final 2018 Audited Financial Statements**

Sonya White presented corrections to the 2018 Audited Financial Statements that the Board previously reviewed at their April 18, 2019 meeting (see attachment number four). White reported that on page eight, short-term investments were allocated from cash to investments as directed by the Audit Committee after meeting with the independent auditor. On Page 11, the item for investments had been changed to long-term investments. Page 12 was corrected to include the final equity in County Reinsurance Limited for a total change in net position to \$1,050,040. Page 13 was corrected to show the prepaid expenses at \$45,133. Mike Wilkins made a motion to ratify the Final 2018 Audited Financial Statements as presented. William Cox seconded the motion, which passed unanimously.

#### **Review/ Approve Member 2018 Equity Allocation**

Sonya White reported that that based on the audited net position of the Pool, the actuaries have calculated the 2018 equity numbers for each member (see attachment number five). Jim Kaiserman made a motion to approve the Member 2018 Equity Allocation as presented. Mike Wilkins seconded the motion, which passed unanimously.

#### **Review/Approve URS Contribution Rates July 1, 2019 – July 1, 2020**

Sonya White provided the Board with the Utah Retirement Systems (URS) rates for the term July 1, 2019 through July 1, 2020 (see attachment number six). Based on the discretionary benefits provided to UCIP staff, the Pool participates in the public employees noncontributory retirement systems for local government. Mike Wilkins made a motion to approve the URS contribution rates for UCIP employees as presented. Dale Eyre seconded the motion, which passed unanimously.

#### **Review/Approve 2020 Projected Budget**

Sonya White presented a projected/preliminary 2020 budget to the Board (see attachment number seven). Johnnie Miller explained that this budget is preliminary to provide the actuary an estimate of operating expenses and reinsurance costs to be added to loss projections in order to develop the estimated rates for 2020 that will be presented to the Board at their August Meeting. White proposed a three percent increase to contributions based on historical exposure growth trends. Investments, based on the average five-year earnings, is proposed at an amount of \$315,000 and other income is shown at an increase to \$15,000 based on the average five-year earnings. Losses paid are projected not to increase from the prior year's budget as well as reinsurance costs. Increases to the administrative expenses are in the office and personnel line items due to employee travel expenses now being allocated to office expenses and the inclusion of a two percent cost of living adjustment for staff. Dean Cox made a motion to approve the 2020 projected budget as presented. William Cox seconded the motion, which passed unanimously.

#### **Review/Approve Nationwide Fixed Annuity Contract Amendment**

William Cox explained that one of the retirement options provided to UCIP employees is the Nationwide 457b plan. Nationwide is amending the contract relating to fixed annuity in their plan (see attachment number eight). The Board must approve either: Option One) a higher minimum gross credit rate in exchange for a lower annual transfer limit; or Option Two) a lower minimum gross credit rate in exchange for a higher annual transfer limit. Dean Cox made a motion to approve Option One, Nationwide's default Option. Dale Eyre seconded the motion, which passed unanimously.

#### **Review/Approve WCF Insurance Joint Purchase Program Agreement**

Johnnie Miller reported on the progress pertaining to the WCF Joint Purchase Program Agreement. Miller reviewed the terms he had discussed with Ray Pickup, President of WCF Insurance, who agreed to the terms presented and was having his legal team work up the agreement. Dean Cox made a motion to approve the agreement at the next meeting. Scott Jenkins seconded the motion, which passed unanimously.

#### **Review/Approve Excess Cyber Limit Increase**

Johnnie Miller reported that he requested a quote from County Reinsurance Limited to increase the excess cyber liability limit from \$1 million to \$2 million (see attachment number nine). Miller explained this increase would cost an additional \$5,465 for all members of the Pool. Scott Jenkins made a motion to approve the Excess Cyber Liability limit increase as presented, and to review quotes to increase the limit to \$5 million at the next meeting. Dean Cox seconded the motion, which passed unanimously.

#### **Review/Approve Board Meeting Rules and Order of Procedure Policy Amendments**

Johnnie Miller reported on the amendments made to the Board Meeting Rules of Order and Procedure Policy (see attachment number 10). Scott Jenkins made a motion to approve the policy amendments as presented. William Cox seconded the motion, which passed unanimously.

#### **Review/Approve Board Member Training Policy Amendments**

Johnnie Miller reported on the amendments made to the Board Member Training Policy (see attachment number 11). Dean Cox made a motion to approve the policy amendments as presented. William Cox seconded the motion, which passed unanimously.

#### **Review/Approve Bylaws Coverage Addendum Amendments**

Johnnie Miller reported that he was provided Board input at the Strategic Planning meetings and will provide a redlined draft of the amendments to the Bylaws Coverage Addendum for the Board to review at their next meeting.

#### **Review/Approve GRAMA Policy Amendments**

Sonya White reported on the amendments made to the GRAMA Policy (see attachment number 12), which added provisions in effective date and frequency of review and rates charged for copies in relation to GRAMA requests. William Cox made a motion to approve the policy amendments as presented. Jim Kaiserman seconded the motion, which passed unanimously.

#### **Review/Approve Investment Policy Amendments**

Sonya White reported on the amendments made to the Investment Policy (see attachment number 13). Mike Wilkins made a motion to approve the policy amendments as presented. Dean Cox seconded the motion, which passed unanimously.

#### **Review/Approve Minutes Recordings and Records of Meetings Policy Amendments**

Sonya White reported on the amendments made to the Minutes, Recordings and Records of Meetings Policy (see attachment number 14). Dale Eyre made a motion to approve the policy amendments as presented. Mike Wilkins seconded the motion, which passed unanimously.

#### **Review/Approve Personal Use of Public Property Policy**

Johnnie Miller reported on the options for the Personal Use of Public Property Policy (see attachments number 15 and 16). Dale Eyre recommended Option One, based on Option Two allowing personal use of public property until given written notice that use was not authorized. Mark Whitney asked what was wrong with simple offenses and giving employees a warning. Eyre pointed out that major offenses would still fall under this provision. Jim Kaiserman noted that without a warning, major offenses could result several times before a warning is issued. Whitney responded that employees should be given second chances. Scott Jenkins made a motion to approve the Personal Use of Public Property Policy Option Two as presented. Dean Cox seconded the motion. The motion passed with Bruce Adams, William Cox, Dean Cox, Scott Jenkins, Karla Johnson, Jim Kaiserman and Mark Whitney in favor, with Dale Eyre opposed.

#### **Review/Approve Purchasing Policy Amendments**

Sonya White reported on the amendments made to the Purchasing Policy (see attachment number 17), with the recommendation to strike the language involving change orders, as it doesn't apply to UCIP. Mike Wilkins made a motion to approve the policy amendments as recommended. William Cox seconded the motion, which passed unanimously.



#### **Review/Approve Records Retention Policy Amendments**

Sonya White reported on the Records Retention Policy and amendments to the Retention Schedule (see attachments number 18 and 19). William Cox made a motion to approve the Records Retention Policy and Retention Schedule amendments as presented. Mike Wilkins seconded the motion, which passed unanimously.

#### **Review/Approve Underwriting Policy**

Sonya White reported on the Underwriting Policy (see attachment number 20), which outlines the process of underwriting for the Pool. Dean Cox recommended removing the first sentence of Paragraph C, Section VI, which states "To maintain stability of costs of contributions of individual Members, individual Member experience will not be utilized in determining contributions to the Pool". Cox stated that by removing this sentence, UCIP would not reward bad performances by members and allow the Pool to rate members differently in determining their contributions if necessary. Bruce Adams and Johnnie Miller agreed, with Miller stating that the purpose of the sentence was to keep a successor from using experience rating in an unintended manner. Miller confirmed that staff would consider removal of the sentence to permit experience rating at some future date, and only after review by the actuary and Board. Dean Cox made a motion to approve the Underwriting Policy with the removal of the first sentence of Paragraph C, Section VI. Dale Eyre seconded the motion, which passed unanimously.

#### **Review/Approve County Related Entities Membership**

Mike Wilkins provided a membership application summary report to the Board for the Sanpete County Municipal Building Authority (see attachment number 21). Upon the recommendation of the Membership Committee and UCIP staff, Mike Wilkins made a motion to approve the membership of the Sanpete County Municipal Building Authority in the Utah Counties Indemnity Pool. Scott Jenkins seconded the motion, which passed unanimously.

#### **Set Date and Time for Closed Meeting**

Jim Kaiserman made a motion to strike agenda item: *Set Date and Time for a Closed Meeting to Discuss Character, Professional Competence, Physical/Mental Health of an Individual*. Mike Wilkins seconded the motion, which passed unanimously.

#### **Action on Personnel Matters**

Jim Kaiserman made a motion to strike agenda item: *Action on Personnel Matters*. Mike Wilkins seconded the motion, which passed unanimously.

#### **Set Date and Time for Closed Meeting**

Dale Eyre made a motion to strike agenda item: *Set Date and Time for a Closed Meeting to Discuss Pending or Reasonably Imminent Litigation*. Dean Cox seconded the motion, which passed unanimously.

#### **Action on Litigation Matters**

Dale Eyre made a motion to strike agenda item: *Action on Litigation Matters*. Dean Cox seconded the motion, which passed unanimously.

#### **Chief Executive Officer's Report**

Johnnie Miller reported that some counties are working to convert local districts into special service districts, and that he is consulting with them to ensure this is done correctly under statutory code.

Miller reported that the State Auditor requested, as part of an audit of the Department of Corrections, information on any claims filed by inmates involved with the Inmate Placement Program against the Counties participating in UCIP. Miller worked with Korby Siggard to provide relevant information as quickly and efficiently as possible.

Miller reported that Uintah and Garfield Counties had both received proposals to switch coverage to the Utah Local Governments Trust. Miller met with both entities twice and felt that both counties understand the benefits of membership with the Pool. Miller reported that both counties have until the first week of July to submit written notice of their intention to leave the Pool and that, unless rescinded, will have their membership terminated January 1, 2020. Miller stated that a major concern for Garfield and other

counties is injunctive relief claims. Miller reported that the Pool covers up to \$100,000 for injunctive relief claims; the Trust is claiming they cover all injunctive relief claims, but hasn't provided their endorsement supporting that claim. Miller advised gathering the input of county attorneys regarding whether they would rather have UCIP hire attorneys to handle these claims.

Miller reported that the last few months have been busy and not much headway has been made regarding the state fraud hotline. Miller reported that he will be attending the Clerk Auditors Workshop June 26-28 and will update the auditors accordingly.

Miller reported that he had signed the County Reinsurance Limited (CRL) Property Plus agreement the Board approved at the April 18, 2019 meeting. Miller reported that the CRL Property Plus program had raised \$10,000,000 over their goal, raising \$30,000,000 in total. Miller also reported that the Idaho Counties Risk Management Program had joined as a member of CRL.

Miller reported that the Board Meeting scheduled on October 17, 2019 conflicts with the Civil Attorneys Conference he and Siggard attend and present at. Miller requested that the Board authorize moving the meeting date to October 24, in conjunction with the UCIP Risk Management Workshop, to allow attendance by Board members at both meetings.

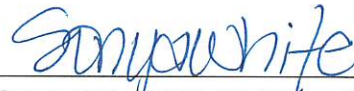
Miller reported on his activities and work with the Foundation for Integrated Resource Management (FIRM). Initially Miller was asked to fill in temporarily, but his stay had been extended to two years. Miller reported that he regularly comes in early to the office and stays late and works at home and on weekends to fulfill FIRM commitments. Miller reported that when there is a conflict with UCIP and FIRM, he has taken vacation time to accommodate both. However, Miller noted that the time constraints have grown too much, and that FIRM needs someone full-time, reporting that he is resigning his position at FIRM as of July 1.

#### Other Business

The next meeting of the Board of Directors will be held Thursday, August 15, 2019 at 12:30 p.m. at the UAC/UCIP Offices, 5397 S Vine, Murray, Utah.

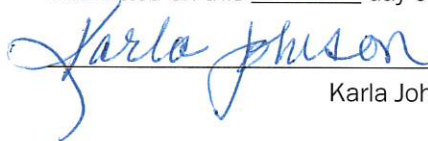
Bruce Adams adjourned the meeting of the Utah Counties Indemnity Pool Board of Directors at 10:30 a.m. on June 21, 2019.

Prepared by:



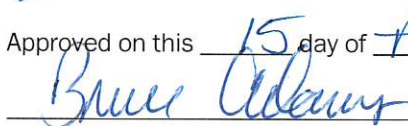
Sonya White, UCIP Chief Financial Officer

Submitted on this 15 day of August 2019



Karla Johnson, Secretary/Treasurer

Approved on this 15 day of August 2019



Bruce Adams, President





**UTAH COUNTIES INDEMNITY POOL**  
**Payments and Credit Card Transactions**  
April 19 - June 21, 2019

| Date                         | Transaction Type | Num     | Name                                      | Memo/Description     | Amount     |
|------------------------------|------------------|---------|---|----------------------|------------|
| 500-000000-10010100 ZionsMLC |                  |         |   |                      |            |
| 04/30/2019                   | Check            | ACH     | Dunn & Dunn, PC                           | Invoice: 37818       | -3,647.00  |
| 04/30/2019                   | Check            | ACH     | Durham Jones & Pinegar                    | Invoice: 665040      | -2,019.00  |
| 04/30/2019                   | Check            | ACH     | Durham Jones & Pinegar                    | Invoice: 665039      | -2,252.00  |
| 04/30/2019                   | Check            | ACH     | Durham Jones & Pinegar                    | Invoice: 665038      | -1,789.00  |
| 04/30/2019                   | Check            | ACH     | Durham Jones & Pinegar                    | Invoice: 665037      | -3,423.50  |
| 04/30/2019                   | Check            | ACH     | Durham Jones & Pinegar                    | Invoice: 665033      | -14,592.76 |
| 04/30/2019                   | Check            | ACH     | Durham Jones & Pinegar                    | Invoice: 665032      | -1,938.40  |
| 04/30/2019                   | Check            | ACH     | Durham Jones & Pinegar                    | Invoice: 665031      | -150.00    |
| 04/30/2019                   | Check            | ACH     | Durham Jones & Pinegar                    | Invoice: 665041      | -4,909.00  |
| 04/30/2019                   | Check            | ACH     | Goebel Anderson PC                        | Invoice: 3668        | -1,494.40  |
| 04/30/2019                   | Check            | ACH     | Mylar Law, PC                             | Invoice: 00246       | -11,483.55 |
| 04/30/2019                   | Check            | ACH     | Mylar Law, PC                             | Invoice: 00247       | -5,892.00  |
| 04/30/2019                   | Check            | ACH     | Mylar Law, PC                             | Invoice: 00244       | -5,404.35  |
| 04/30/2019                   | Check            | ACH     | Strong & Hanni                            | Invoice: 195846      | -994.20    |
| 04/30/2019                   | Check            | ACH     | Strong & Hanni                            | Invoice: 195845      | -1,307.50  |
| 04/30/2019                   | Check            | ACH     | Strong & Hanni                            | Invoice: 195843      | -2,759.50  |
| 04/30/2019                   | Check            | ACH     | Strong & Hanni                            | Invoice: 195842      | -8,029.59  |
| 04/30/2019                   | Check            | ACH     | Strong & Hanni                            | Invoice: 195848      | -2,280.07  |
| 04/30/2019                   | Check            | ACH     | Strong & Hanni                            | Invoice: 195849      | -520.00    |
| 04/30/2019                   | Check            | ACH     | Strong & Hanni                            | Invoice: 195793      | -1,190.00  |
| 04/30/2019                   | Check            | ACH     | Strong & Hanni                            | Invoice: 195847      | -10,553.59 |
| 04/30/2019                   | Check            | ACH     | Duchesne County                           | Claim: DUC0000272019 | -190.50    |
| 04/30/2019                   | Check            | ACH     | Duchesne County                           | Claim: DUC0000282019 | -854.78    |
| 04/30/2019                   | Check            | ACH     | Garfield County                           | Claim: GAR0000032019 | -37,728.00 |
| 04/30/2019                   | Check            | ACH     | Weber County                              | Claim: WEB0000832019 | -2,048.32  |
| 04/30/2019                   | Check            | ACH     | Frontier Adjusters, Inc.                  | Invoice: T801726     | -411.10    |
| 04/30/2019                   | Check            | BILLPAY | State of Utah Division of Risk Management | Invoice: 104198      | -1,308.80  |
| 05/08/2019                   | Check            | ACH     | Hutton Law Associates, PC                 | Invoice: 00350       | -12,735.00 |
| 05/08/2019                   | Check            | ACH     | Hutton Law Associates, PC                 | Invoice: 00349       | -4,395.00  |
| 05/08/2019                   | Check            | ACH     | Hutton Law Associates, PC                 | Invoice: 00351       | -1,410.00  |
| 05/08/2019                   | Check            | ACH     | Mylar Law, PC                             | Invoice: 00251       | -1,684.71  |
| 05/08/2019                   | Check            | ACH     | Mylar Law, PC                             | Invoice: 00252       | -20,549.39 |
| 05/08/2019                   | Check            | ACH     | Suittier Axland                           | Invoice: 1290935     | -2,894.34  |
| 05/08/2019                   | Check            | ACH     | Suittier Axland                           | Invoice: 1290934     | -3,689.77  |
| 05/08/2019                   | Check            | ACH     | Suittier Axland                           | Invoice: 1290933     | -4,573.47  |
| 05/08/2019                   | Check            | ACH     | Suittier Axland                           | Invoice: 1290930     | -4,142.68  |
| 05/08/2019                   | Check            | ACH     | Suittier Axland                           | Invoice: 1290929     | -5,742.83  |
| 05/08/2019                   | Check            | ACH     | Suittier Axland                           | Invoice: 1290927     | -727.23    |
| 05/08/2019                   | Check            | ACH     | Suittier Axland                           | Invoice: 1290926     | -530.00    |
| 05/08/2019                   | Check            | ACH     | Suittier Axland                           | Invoice: 1290925     | -180.00    |
| 05/08/2019                   | Check            | ACH     | Suittier Axland                           | Invoice: 1290924     | -170.00    |
| 05/08/2019                   | Check            | ACH     | Suittier Axland                           | Invoice: 1290923     | -5,542.30  |
| 05/08/2019                   | Check            | ACH     | Suittier Axland                           | Invoice: 1290922     | -1,811.60  |
| 05/08/2019                   | Check            | ACH     | Suittier Axland                           | Invoice: 1290921     | -2,823.22  |
| 05/08/2019                   | Check            | ACH     | Millard County                            | Claim: MIL0000232019 | -8,194.50  |
| 05/08/2019                   | Check            | ACH     | April Weber                               | Claim: WAS0002612019 | -1,485.00  |
| 05/09/2019                   | Check            | BILLPAY | Jorgensen Ford, Inc.                      | Invoice: 4018355     | -803.25    |
| 05/15/2019                   | Check            | ACH     | Goebel Anderson PC                        | Invoice: 3688        | -2,052.50  |
| 05/15/2019                   | Check            | ACH     | Goebel Anderson PC                        | Invoice: 3687        | -3,600.54  |
| 05/15/2019                   | Check            | ACH     | Goebel Anderson PC                        | Invoice: 3686        | -10,332.00 |
| 05/15/2019                   | Check            | ACH     | Goebel Anderson PC                        | Invoice: 3685        | -2,306.88  |
| 05/15/2019                   | Check            | ACH     | Mylar Law, PC                             | Invoice: 00256       | -5,218.00  |
| 05/15/2019                   | Check            | ACH     | Duchesne County                           | Claim: DUC0000072019 | -1,658.73  |
| 05/15/2019                   | Check            | ACH     | Moon Lake Electric Assn.                  | Claim: DUC0001572019 | -1,997.69  |
| 05/15/2019                   | Check            | ACH     | Daggett County                            | Claim: DAG0000052019 | -1,959.86  |
| 05/17/2019                   | Check            | BILLPAY | Dealer Collision Center                   | Invoice: 1c31cfe7    | -375.10    |
| 05/17/2019                   | Check            | BILLPAY | Enterprise Rent-A-Car                     | Invoice: 14015236    | -523.74    |
| 05/17/2019                   | Check            | BILLPAY | John Knippa, PhD                          | Invoice: 190401      | -20,075.70 |
| 05/17/2019                   | Check            | ACH     | Mylar Law, PC                             | Invoice: 00261       | -2,946.00  |
| 05/17/2019                   | Check            | ACH     | Mylar Law, PC                             | Invoice: 00260       | -4,185.50  |
| 05/21/2019                   | Check            | BILLPAY | Central Utah Public Health Department     | Claim: CUP0000012019 | -10,140.20 |



|   |                      |         |                                       |   |                       |
|---|----------------------|---------|---------------------------------------|---|-----------------------|
| 05/31/2019                                    | Check                | ACH     | Durham Jones & Pinegar                | Invoice: 668964                         | -2,491.80             |
| 05/31/2019                                    | Check                | ACH     | Durham Jones & Pinegar                | Invoice: 668963                         | -2,635.96             |
| 05/31/2019                                    | Check                | ACH     | Durham Jones & Pinegar                | Invoice: 668959                         | -3,032.07             |
| 05/31/2019                                    | Check                | ACH     | Durham Jones & Pinegar                | Invoice: 668957                         | -162.00               |
| 05/31/2019                                    | Check                | ACH     | Durham Jones & Pinegar                | Invoice: 668955                         | -7,968.38             |
| 05/31/2019                                    | Check                | ACH     | Mylar Law, PC                         | Invoice: 00265                          | -19,455.00            |
| 05/31/2019                                    | Check                | ACH     | Mylar Law, PC                         | Invoice: 00264                          | -7,889.00             |
| 05/31/2019                                    | Check                | ACH     | Mylar Law, PC                         | Invoice: 00263                          | -3,386.62             |
| 05/31/2019                                    | Check                | ACH     | Sevier County                         | Claim: SEV00000212019                   | -1,469.39             |
| 05/31/2019                                    | Check                | ACH     | Weber Human Services-                 | Claim: WHS0000402019                    | -8,846.38             |
| 05/31/2019                                    | Check                | ACH     | Central Utah Public Health Department | Claim: CUP0000012019                    | -49,966.50            |
| 05/31/2019                                    | Check                | BILLPAY | Dr. Glen R. Hanson                    | Invoice: 05202019                       | -2,400.00             |
| 05/31/2019                                    | Check                | BILLPAY | Tasheena Babbitt                      | Claim: MIL0001062019                    | -284.35               |
| 06/07/2019                                    | Check                | ACH     | Hutton Law Associates, PC             | Invoice: 00353                          | -8,475.00             |
| 06/07/2019                                    | Check                | ACH     | Hutton Law Associates, PC             | Invoice: 00354                          | -17,055.00            |
| 06/07/2019                                    | Check                | ACH     | Mylar Law, PC                         | Invoice: 00266                          | -2,649.00             |
| 06/07/2019                                    | Check                | ACH     | Mylar Law, PC                         | Invoice: 00270                          | -334.00               |
| 06/07/2019                                    | Check                | ACH     | Suitter Axland                        | Invoice: 12910642                       | -240.59               |
| 06/07/2019                                    | Check                | ACH     | Suitter Axland                        | Invoice: 1291031                        | -2,818.23             |
| 06/07/2019                                    | Check                | ACH     | Suitter Axland                        | Invoice: 1291028                        | -3,077.60             |
| 06/07/2019                                    | Check                | ACH     | Suitter Axland                        | Invoice: 1291027                        | -670.71               |
| 06/07/2019                                    | Check                | ACH     | Suitter Axland                        | Invoice: 1291023                        | -12,265.95            |
| 06/07/2019                                    | Check                | ACH     | Suitter Axland                        | Invoice: 1290852                        | -115.00               |
| 06/07/2019                                    | Check                | ACH     | Suitter Axland                        | Invoice: 1291019                        | -8,233.36             |
| 06/07/2019                                    | Check                | ACH     | Frontier Adjusters, Inc.              | Invoice: T810518                        | -497.10               |
| 06/07/2019                                    | Check                | ACH     | Leeacy Carter                         | Claim: MOR0000032019                    | -1,355.75             |
| 06/18/2019                                    | Check                | ACH     | Goebel Anderson PC                    | Invoice: 3786                           | -3,078.00             |
| 06/18/2019                                    | Check                | ACH     | Goebel Anderson PC                    | Invoice: 3787                           | -5,112.00             |
| 06/18/2019                                    | Check                | ACH     | Goebel Anderson PC                    | Invoice: 3788                           | -5,364.00             |
| 06/18/2019                                    | Check                | ACH     | Mylar Law, PC                         | Invoice: 00274                          | -6,238.60             |
| 06/18/2019                                    | Check                | ACH     | Mylar Law, PC                         | Invoice: 00275                          | -7,511.07             |
| 06/18/2019                                    | Check                | ACH     | Goebel Anderson PC                    | Invoice: 3785                           | -1,260.00             |
| 06/18/2019                                    | Check                | ACH     | Mylar Law, PC                         | Invoice: 00273                          | -2,570.50             |
| 06/18/2019                                    | Check                | ACH     | Davis County                          | Claim: DAV0000602019                    | -6,359.87             |
| 06/18/2019                                    | Check                | ACH     | Amanda Klummann                       | Claim: WEB0005602019                    | -1,972.22             |
| 06/19/2019                                    | Check                | BILLPAY | Juab County                           | Claim: JUAB000102019                    | -40,224.00            |
| 06/19/2019                                    | Check                | BILLPAY | Dealer Collision Center               | Invoice: 6000268                        | -2,758.28             |
| <b>Total for 500-000000-10010100 ZionsMLC</b> |                      |         |                                       |   |                       |
| <b>500-000000-10010100 ZionsMLE</b>           |                      |         |                                       |   | <b>-\$ 530,850.92</b> |
| 04/22/2019                                    | Bill Payment (Check) | BILLPAY | Modern Display                        | Invoice: 18202                          | -180.95               |
| 04/22/2019                                    | Expense              |         | Zions Bank                            | SERVICE AND TRANSACTION FEES            | -135.38               |
| 04/29/2019                                    | Payroll Check        | DD      | Marty L. Stevens                      | 04/30/2019                              | -1,695.81             |
| 04/29/2019                                    | Payroll Check        | DD      | Alexander F. Getts                    | 04/30/2019                              | -1,400.42             |
| 04/29/2019                                    | Payroll Check        | DD      | Korby M. Siggard                      | 04/30/2019                              | -2,437.79             |
| 04/29/2019                                    | Payroll Check        | DD      | Johnnie R. Miller                     | 04/30/2019                              | -4,975.71             |
| 04/29/2019                                    | Payroll Check        | DD      | Johnnie R. Miller                     | 04/30/2019                              | -600.00               |
| 04/29/2019                                    | Payroll Check        | DD      | Sonya J. White                        | 04/30/2019                              | -2,365.82             |
| 04/29/2019                                    | Tax Payment          |         | IRS                                   | ACKNOWLEDGEMENT NUMBER: 270951932890880 | -4,999.54             |
| 04/29/2019                                    | Tax Payment          |         | UT State Tax Commission               | Confirmation: 1-000-871-040             | -1,835.34             |
| 04/29/2019                                    | Check                | ONLINE  | Utah Retirement Systems               | Confirmation: 042653565886              | -9,645.65             |
| 04/29/2019                                    | Check                | ONLINE  | Nationwide Retirement Solutions       | Entity: 0036786001                      | -2,533.00             |
| 04/29/2019                                    | Deposit              |         |                                       |   | 8,414.00              |
| 04/30/2019                                    | Check                | ACH     | PEHP-LTD                              | Agency: 1076                            | -195.83               |
| 04/30/2019                                    | Check                | ACH     | Public Employees Health Program       | Invoice: 0122720396                     | -7,815.17             |
| 04/30/2019                                    | Bill Payment (Check) | ACH     | Object Systems International, LLC     | Invoice: 10444                          | -405.00               |
| 04/30/2019                                    | Bill Payment (Check) | ACH     | Strong & Hanni                        | Invoice: 195844                         | -1,506.26             |
| 04/30/2019                                    | Check                | ACH     | Korby M. Siggard                      | Expense Reimbursement                   | -120.32               |
| 04/30/2019                                    | Check                | BILLPAY | Bruce B. Adams                        | Mileage Reimbursement                   | -324.00               |
| 04/30/2019                                    | Check                | BILLPAY | Deb Alexander                         | Mileage Reimbursement                   | -18.36                |
| 04/30/2019                                    | Check                | BILLPAY | Bob Stevenson                         | Mileage Reimbursement                   | -24.84                |
| 04/30/2019                                    | Check                | BILLPAY | Mike Wilkins                          | Mileage Reimbursement                   | -187.92               |
| 04/30/2019                                    | Check                | ACH     | James Kaiserman-                      | Mileage Reimbursement                   | -51.84                |
| 04/30/2019                                    | Bill Payment (Check) | ACH     | WCF Insurance                         | 3127814                                 | -137,464.00           |
| 04/30/2019                                    | Check                | ACH     | Daggett County                        | 2018 WC Audit                           | -3,749.00             |
| 04/30/2019                                    | Check                | ACH     | Garfield County                       | 2018 WC Audit                           | -2,231.00             |
| 04/30/2019                                    | Check                | ACH     | Millard County                        | 2018 WC Audit                           | -9,743.00             |
| 04/30/2019                                    | Check                | BILLPAY | Morgan County                         | 2018 WC Audit                           | -574.00               |

|  |                      |         |                                     |   |                 |
|--|----------------------|---------|-------------------------------------|---|-----------------|
| 04/30/2019                             | Check                | BILLPAY | Uintah County                       | 2018 WC Audit                           | -9,856.00       |
| 04/30/2019                             | Check                | BILLPAY | Washington County                   | 2018 WC Audit                           | -4,249.00       |
| 05/06/2019                             | Deposit              |         |                                     |   | 16,795.00       |
| 05/06/2019                             | Bill Payment (Check) | ONLINE  | American Express                    | 3-41009                                 | -18.68          |
| 05/07/2019                             | Check                | ACH     | Alexander F. Getts                  | Expense Reimbursement                   | -150.66         |
| 05/07/2019                             | Check                | ACH     | Johnnie R. Miller                   | Expense Reimbursement                   | -195.72         |
| 05/09/2019                             | Check                | BILLPAY | Sonya J. White                      | Expense Reimbursement                   | -39.36          |
| 05/09/2019                             | Bill Payment (Check) | ACH     | HCA Asset Management, LLC           |   | -17,600.00      |
| 05/09/2019                             | Deposit              |         |                                     |   | 93,656.00       |
| 05/09/2019                             | Deposit              |         |                                     |   | 10,308.00       |
| 05/13/2019                             | Tax Payment          |         | IRS                                 | ACKNOWLEDGEMENT NUMBER: 270953343539818 | -4,999.54       |
| 05/14/2019                             | Transfer             |         |                                     | Confirmation: 1558374380545693          | -55,000.00      |
| 05/14/2019                             | Deposit              |         |                                     |   | 16,741.00       |
| 05/15/2019                             | Payroll Check        | DD      | Alexander F. Getts                  | 05/15/2019                              | -1,400.42       |
| 05/15/2019                             | Payroll Check        | DD      | Sonya J. White                      | 05/15/2019                              | -2,365.81       |
| 05/15/2019                             | Payroll Check        | DD      | Marty L. Stevens                    | 05/15/2019                              | -1,695.81       |
| 05/15/2019                             | Payroll Check        | DD      | Johnnie R. Miller                   | 05/15/2019                              | -4,975.71       |
| 05/15/2019                             | Payroll Check        | DD      | Johnnie R. Miller                   | 05/15/2019                              | -600.00         |
| 05/15/2019                             | Payroll Check        | DD      | Korby M. Siggard                    | 05/15/2019                              | -2,437.80       |
| 05/15/2019                             | Bill Payment (Check) | ACH     | Arthur J. Gallagher & Co.           | Invoice: 2861595                        | -100.00         |
| 05/15/2019                             | Bill Payment (Check) | ACH     | Arthur J. Gallagher & Co.           | Invoice: 3005348                        | -31,702.00      |
| 05/16/2019                             | Transfer             |         |                                     | Confirmation: 1558634811195747          | -15,000.00      |
| 05/17/2019                             | Bill Payment (Check) | BILLPAY | Utah Clerk Auditor Association      | Invoice: 2019-1                         | -550.00         |
| 05/21/2019                             | Deposit              |         |                                     | 2019 WC Audit                           | 17,145.00       |
| 05/21/2019                             | Deposit              |         | CRL                                 |   | 858,574.87      |
| 05/21/2019                             | Expense              |         | Zions Bank                          | SERVICE AND TRANSACTION FEES            | -129.33         |
| 05/23/2019                             | Deposit              |         |                                     | 2018 WC Audit                           | 1,335.00        |
| 05/24/2019                             | Transfer             |         |                                     | Confirmation: 2218407/CNTR              | -825,000.00     |
| 05/28/2019                             | Check                | ACH     | Public Employees Health Program     | Invoice: 0122746576                     | -7,815.17       |
| 05/28/2019                             | Check                | ACH     | PEHP-LTD                            | Agency: 1076                            | -197.62         |
| 05/28/2019                             | Bill Payment (Check) | ACH     | Gallagher Bassett Services, Inc.    | Invoice: 15354                          | -126.00         |
| 05/28/2019                             | Check                | ONLINE  | Nationwide Retirement Solutions     | Entity: 0036786001                      | -2,533.00       |
| 05/29/2019                             | Bill Payment (Check) | ACH     | US Bank                             | Account: 7814                           | -10,427.13      |
| 05/29/2019                             | Bill Payment (Check) | ACH     | County Reinsurance, Limited         | New Member: MCAT                        | -300.00         |
| 05/29/2019                             | Deposit              |         |                                     |   | 2,058.81        |
| 05/29/2019                             | Deposit              |         | Eventbrite                          | FMW                                     | 200.00          |
| 05/30/2019                             | Tax Payment          |         | IRS                                 | ACKNOWLEDGEMENT NUMBER: 270955070740849 | -5,070.88       |
| 05/30/2019                             | Tax Payment          |         | UT State Tax Commission             | Confirmation: 0-069-301-376             | -1,857.75       |
| 05/31/2019                             | Payroll Check        | DD      | Johnnie R. Miller                   | 05/31/2019                              | -4,975.71       |
| 05/31/2019                             | Payroll Check        | DD      | Johnnie R. Miller                   | 05/31/2019                              | -600.00         |
| 05/31/2019                             | Payroll Check        | DD      | Korby M. Siggard                    | 05/31/2019                              | -2,437.79       |
| 05/31/2019                             | Payroll Check        | DD      | Sonya J. White                      | 05/31/2019                              | -2,365.82       |
| 05/31/2019                             | Payroll Check        | DD      | Marty L. Stevens                    | 05/31/2019                              | -1,862.56       |
| 05/31/2019                             | Payroll Check        | DD      | Alexander F. Getts                  | 05/31/2019                              | -1,525.83       |
| 05/31/2019                             | Check                | ONLINE  | Utah Retirement Systems             | Confirmation: 052410502518              | -9,705.48       |
| 06/04/2019                             | Deposit              |         | Multi County Appraisal Trust (MCAT) | 2019 ML                                 | 1,610.00        |
| 06/04/2019                             | Bill Payment (Check) | ONLINE  | American Express                    | 3-41009                                 | -595.11         |
| 06/05/2019                             | Bill Payment (Check) | ACH     | HCA Asset Management, LLC           | Invoice: 19-1244                        | -17,700.00      |
| 06/05/2019                             | Bill Payment (Check) | ACH     | Gallagher Bassett Services, Inc.    | Invoice: 15357                          | -156.00         |
| 06/05/2019                             | Check                | ACH     | Johnnie R. Miller                   | Expense Reimbursement                   | -582.20         |
| 06/06/2019                             | Bill Payment (Check) | ACH     | County Reinsurance, Limited         | New Member: SANMBA                      | -500.00         |
| 06/06/2019                             | Bill Payment (Check) | ACH     | Larson & Company                    | Invoice: 22427664                       | -2,871.25       |
| 06/06/2019                             | Check                | ACH     | Korby M. Siggard                    | Expense Reimbursement                   | -201.96         |
| 06/10/2019                             | Check                | ONLINE  | UT State Tax Commission             | Confirmation Number: 1-167-035-520      | -122.89         |
| 06/10/2019                             | Deposit              |         | SANMBA                              |   | 1,490.00        |
| 06/14/2019                             | Payroll Check        | DD      | Korby M. Siggard                    | 06/15/2019                              | -2,437.79       |
| 06/14/2019                             | Payroll Check        | DD      | Marty L. Stevens                    | 06/15/2019                              | -1,529.05       |
| 06/14/2019                             | Payroll Check        | DD      | Sonya J. White                      | 06/15/2019                              | -2,365.81       |
| 06/14/2019                             | Payroll Check        | DD      | Alexander F. Getts                  | 06/15/2019                              | -1,275.02       |
| 06/14/2019                             | Payroll Check        | DD      | Johnnie R. Miller                   | 06/15/2019                              | -4,975.72       |
| 06/14/2019                             | Payroll Check        | DD      | Johnnie R. Miller                   | 06/15/2019                              | -600.00         |
| 06/14/2019                             | Tax Payment          |         | IRS                                 | ACKNOWLEDGEMENT NUMBER: 270956564312436 | -4,928.18       |
| 06/17/2019                             | Bill Payment (Check) | ACH     | Arthur J. Gallagher & Co.           | Invoice: 2263795                        | -2,559.00       |
| Total for 500-000000-10010100 ZionsMLE |                      |         |                                     |   | - \$ 242,154.83 |



# Utah Counties Indemnity Pool

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FINANCIAL STATEMENTS, INDEPENDENT AUDITOR'S REPORT, REQUIRED  
SUPPLEMENTARY INFORMATION AND OTHER INDEPENDENT AUDITOR'S REPORTS  
*For the Year Ended December 31, 2018*



**Larson**  
CERTIFIED PUBLIC ACCOUNTANTS



## UTAH COUNTIES INDEMNITY POOL

Management's Discussion and Analysis

(Unaudited)

Year Ended December 31, 2018

### Investments

As a governmental subdivision regulated by the Money Management Council (MMC), UCIP invests the majority of funds in the Public Treasurers' Investment Fund (PTIF). Utilizing this "safe harbor" for compliance with the Money Management Act also provides UCIP significant liquidity and protection of capital in its invested assets. In 2018, UCIP created a new restricted account in the PTIF to comply with the MMC's Rule 4 for Interlocal Agencies providing crime insurance. \$125,000 equals 50% of the per occurrence limit of crime coverage.

In 2011, UCIP moved \$2,000,000 of invested funds to Zions Capital Advisors in anticipation of increasing investment rates. While investments with Zions Capital Advisors outperformed the PTIF by a small amount in 2018 and 2017, it is anticipated these investments will outpace the PTIF more significantly as the market strengthens.

Equity investments consist of equity ownership in County Reinsurance Limited (CRL), a property and liability reinsurance pool of county-based pools across the United States. UCIP is a member of CRL.

The condensed statements of cash and cash equivalents and investments for the years ended 2018 and 2017 are as follows:

|   | 2018         | 2017         | Net Change   |
|---|--------------|--------------|--------------|
| Cash and cash equivalents:                      |              |              |              |
| Cash on deposit                                 | \$ 4,820,193 | \$ 3,649,685 | \$ 1,170,509 |
| Public Treasurers' Investment Fund              | 8,602,694    | 6,655,839    | 1,946,855    |
| Zions Capital Advisors                          | 90,988       | 99,424       | (8,436)      |
| Total cash and cash equivalents                 | 13,513,875   | 10,404,947   | 3,108,927    |
| Investments:                                    |              |              |              |
| Investments - U.S. government securities        | 495,304      | 1,846,876    | (1,351,572)  |
| Equity investment in County Reinsurance Limited | 2,190,787    | 2,151,012    | 39,775       |
| Total investments                               | 2,686,091    | 3,997,888    | (1,311,797)  |
| Total cash and cash equivalents and investments | \$16,199,966 | \$14,402,835 | \$ 1,797,129 |

### Financial Position

The Net Asset Management Policy was adopted by the Board to actively manage UCIP's net position between 50-250% of annual revenue. The Policy provides that when net position exceeds 250% of annual revenue, the Board shall issue dividends unless the Board has specific needs for such surplus as described in the Net Asset Management Policy. Dividends may be issued as Experience Dividends, Equity Dividends and/or Member in Good Standing Dividends based on the UCIP Dividend Policy. Based on the 2018 member contributions of \$6,124,167, the surplus (net position) to contributions (revenue) ratio at year end 2018 was within the Net Asset Management Policy and industry standards.

## UTAH COUNTIES INDEMNITY POOL

Management's Discussion and Analysis

(Unaudited)

Year Ended December 31, 2018

### Investments

As a governmental subdivision regulated by the Money Management Council (MMC), UCIP invests the majority of funds in the Public Treasurers' Investment Fund (PTIF). Utilizing this "safe harbor" for compliance with the Money Management Act also provides UCIP significant liquidity and protection of capital in its invested assets. In 2018, UCIP created a new restricted account in the PTIF to comply with the MMC's Rule 4 for Interlocal Agencies providing crime insurance. \$125,000 equals 50% of the per occurrence limit of crime coverage.

In 2011, UCIP moved \$2,000,000 of invested funds to Zions Capital Advisors in anticipation of increasing investment rates. While investments with Zions Capital Advisors outperformed the PTIF by a small amount in 2018 and 2017, it is anticipated these investments will outpace the PTIF more significantly as the market strengthens.

Equity investments consist of equity ownership in County Reinsurance Limited (CRL), a property and liability reinsurance pool of county-based pools across the United States. UCIP is a member of CRL.

The condensed statements of cash and cash equivalents and investments for the years ended 2018, 2017, and 2016 with comparative information for 2018 and 2017 are as follows:

|   | 2018                | 2017                | Net Change          | 2016                |
|---|---------------------|---------------------|---------------------|---------------------|
| Cash and cash equivalents:                      |                     |                     |                     |                     |
| Cash on deposit                                 | \$ 3,219,934        | \$ 3,649,685        | \$ (429,750)        | \$ 2,067,027        |
| Public Treasurers' Investment Fund              | 8,602,694           | 6,655,839           | 1,946,855           | 6,190,423           |
| Zions Capital Advisors                          | 90,988              | 99,424              | (8,436)             | 36,261              |
| Total cash and cash equivalents                 | 11,913,616          | 10,404,947          | 1,508,668           | 8,293,711           |
| Investments:                                    |                     |                     |                     |                     |
| Investments - U.S. government securities        | 2,095,563           | 1,846,876           | 248,687             | 2,086,198           |
| Equity investment in County Reinsurance Limited | 2,249,933           | 2,151,012           | 98,921              | 2,049,154           |
| Total investments                               | 4,345,496           | 3,997,888           | 347,608             | 4,135,352           |
| Total cash and cash equivalents and investments | <u>\$16,259,112</u> | <u>\$14,402,835</u> | <u>\$ 1,856,275</u> | <u>\$12,429,063</u> |

### Financial Position

The Net Asset Management Policy was adopted by the Board to actively manage UCIP's net position between 50-250% of annual revenue. The Policy provides that when net position exceeds 250% of annual revenue, the Board shall issue dividends unless the Board has specific needs for such surplus as described in the Net Asset Management Policy. Dividends may be issued as Experience Dividends, Equity Dividends and/or Member in Good Standing Dividends based on the UCIP Dividend Policy. Based on the 2018 member contributions of \$6,124,167, the surplus (net position) to contributions (revenue) ratio at year end 2018 was within the Net Asset Management Policy and industry standards.

## UTAH COUNTIES INDEMNITY POOL

### Statement of Net Position

As of December 31, 2018

#### ASSETS

##### CURRENT ASSETS

|                           |               |
|---------------------------|---------------|
| Cash and cash equivalents | \$ 11,913,616 |
| Short-term investments    | 1,600,259     |
| Accounts receivable       | 1,987         |
| Prepaid expenses          | 295,182       |

TOTAL CURRENT ASSETS 13,811,044

##### INVESTMENTS

2,686,091

##### PROPERTY AND EQUIPMENT

542,719

##### DEFERRED OUTFLOWS OF RESOURCES

|                                       |                |
|---------------------------------------|----------------|
| Deferred outflows related to pensions | <u>142,815</u> |
|---------------------------------------|----------------|

TOTAL ASSETS AND  
DEFERRED OUTFLOWS OF RESOURCES \$ 17,182,669

#### LIABILITIES AND NET POSITION

##### CURRENT LIABILITIES

|  |              |
|--|--------------|
| Reserves for losses and loss adjustment expenses | \$ 9,350,613 |
| Accrued expenses                                 | 117,156      |
| Contributions paid in advance                    | 1,547,876    |

TOTAL CURRENT LIABILITIES 11,015,645

##### NONCURRENT LIABILITIES

|                       |         |
|-----------------------|---------|
| Net pension liability | 170,270 |
|-----------------------|---------|

##### DEFERRED INFLOWS OF RESOURCES

|                                      |               |
|--------------------------------------|---------------|
| Deferred inflows related to pensions | <u>84,701</u> |
|--------------------------------------|---------------|

TOTAL LIABILITIES AND  
DEFERRED INFLOWS OF RESOURCES 11,270,616

##### NET POSITION

|                                  |           |
|----------------------------------|-----------|
| Net investment in capital assets | 542,719   |
| Unrestricted                     | 5,369,334 |

TOTAL NET POSITION 5,912,053

TOTAL LIABILITIES, DEFERRED INFLOWS  
OF RESOURCES AND NET POSITION \$ 17,182,669

The notes to the financial statements are an integral part of this statement

# UTAH COUNTIES INDEMNITY POOL

## Statement of Net Position

As of December 31, 2018

### ASSETS

#### CURRENT ASSETS

|                           |               |
|---------------------------|---------------|
| Cash and cash equivalents | \$ 11,913,616 |
| Short-term investments    | 1,600,259     |
| Accounts receivable       | 1,987         |
| Prepaid expenses          | 295,182       |

TOTAL CURRENT ASSETS 13,811,044

LONG-TERM INVESTMENTS 2,745,237

PROPERTY AND EQUIPMENT 542,719

#### DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows related to pensions 142,815

TOTAL ASSETS AND  
DEFERRED OUTFLOWS OF RESOURCES \$ 17,241,815

### LIABILITIES AND NET POSITION

#### CURRENT LIABILITIES

|  |              |
|--|--------------|
| Reserves for losses and loss adjustment expenses | \$ 9,350,613 |
| Accrued expenses                                 | 117,156      |
| Contributions paid in advance                    | 1,547,876    |

TOTAL CURRENT LIABILITIES 11,015,645

#### NONCURRENT LIABILITIES

Net pension liability 170,270

#### DEFERRED INFLOWS OF RESOURCES

Deferred inflows related to pensions 84,701

TOTAL LIABILITIES AND  
DEFERRED INFLOWS OF RESOURCES 11,270,616

#### NET POSITION

|                                  |           |
|----------------------------------|-----------|
| Net investment in capital assets | 542,719   |
| Unrestricted                     | 5,428,480 |

TOTAL NET POSITION 5,971,199

TOTAL LIABILITIES, DEFERRED INFLOWS  
OF RESOURCES AND NET POSITION \$ 17,241,815

The notes to the financial statements are an integral part of this statement

## UTAH COUNTIES INDEMNITY POOL

### Statement of Revenues, Expenses and Changes in Net Position

For the Year Ended December 31, 2018

|  |              |
|--|--------------|
| OPERATING INCOME                         |              |
| Contributions                            | \$ 6,124,167 |
| Investment Income                        | 361,094      |
| Other Income                             | 24,208       |
| TOTAL OPERATING INCOME                   | 6,509,469    |
| UNDERWRITING EXPENSES                    |              |
| Losses and Loss Adjustment Expenses      | 2,818,293    |
| Reinsurance Coverage                     | 1,702,872    |
| TOTAL UNDERWRITING EXPENSES              | 4,521,165    |
| ADMINISTRATION EXPENSES                  |              |
| Directors                                | 31,501       |
| Depreciation                             | 2,342        |
| Risk Management                          | 55,772       |
| Public Relations                         | 20,424       |
| Office                                   | 98,382       |
| Financial/Professional                   | 90,543       |
| Personnel                                | 695,867      |
| TOTAL ADMINISTRATION EXPENSES            | 994,831      |
| TOTAL OPERATING EXPENSES                 | 5,515,996    |
| NET OPERATING INCOME                     | 993,473      |
| OTHER INCOME/(EXPENSES)                  |              |
| Unrealized Loss on Marketable Securities | (2,579)      |
| TOTAL OTHER EXPENSES                     | (2,579)      |
| CHANGE IN NET POSITION                   | 990,894      |
| NET POSITION AT BEGINNING OF YEAR        | 4,921,159    |
| NET POSITION AT END OF YEAR              | \$ 5,912,053 |

The notes to the financial statements are an integral part of this statement

## UTAH COUNTIES INDEMNITY POOL

### Statement of Revenues, Expenses and Changes in Net Position

For the Year Ended December 31, 2018

---

|  |                     |
|--|---------------------|
| OPERATING INCOME                         |                     |
| Contributions                            | \$ 6,124,167        |
| Investment Income                        | 420,240             |
| Other Income                             | <u>24,208</u>       |
| TOTAL OPERATING INCOME                   | 6,568,615           |
|  |                     |
| UNDERWRITING EXPENSES                    |                     |
| Losses and Loss Adjustment Expenses      | 2,818,293           |
| Reinsurance Coverage                     | <u>1,702,872</u>    |
| TOTAL UNDERWRITING EXPENSES              | 4,521,165           |
|  |                     |
| ADMINISTRATION EXPENSES                  |                     |
| Directors                                | 31,501              |
| Depreciation                             | 2,342               |
| Risk Management                          | 55,772              |
| Public Relations                         | 20,424              |
| Office                                   | 98,382              |
| Financial/Professional                   | 90,543              |
| Personnel                                | <u>695,867</u>      |
| TOTAL ADMINISTRATION EXPENSES            | 994,831             |
| TOTAL OPERATING EXPENSES                 | <u>5,515,996</u>    |
| NET OPERATING INCOME                     | 1,052,619           |
|  |                     |
| OTHER INCOME/(EXPENSES)                  |                     |
| Unrealized Loss on Marketable Securities | <u>(2,579)</u>      |
| TOTAL OTHER EXPENSES                     | <u>(2,579)</u>      |
|  |                     |
| CHANGE IN NET POSITION                   | 1,050,040           |
|  |                     |
| NET POSITION AT BEGINNING OF YEAR        | <u>4,921,159</u>    |
|  |                     |
| NET POSITION AT END OF YEAR              | <u>\$ 5,971,199</u> |

The notes to the financial statements are an integral part of this statement

## UTAH COUNTIES INDEMNITY POOL

### Statement of Cash Flows

For the Year Ended December 31, 2018

|   |                             |
|---|-----------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES            |                             |
| Contributions collected                         | \$ 6,602,701                |
| Other fees collected                            | 24,208                      |
| Reinsurance paid                                | (1,748,005)                 |
| Losses and loss expenses paid                   | (2,443,605)                 |
| Cash paid to employees                          | (745,623)                   |
| Other administrative expenses paid              | (296,622)                   |
| CASH FLOWS PROVIDED BY OPERATING ACTIVITIES     | <u>1,393,054</u>            |
| CASH FLOWS FROM INVESTING ACTIVITIES            |                             |
| Purchase of investments                         | (295,051)                   |
| Sale of investments                             | 200,000                     |
| Investment income                               | 323,898                     |
| Purchase of capital assets                      | 88,238                      |
| NET CASH FLOWS PROVIDED BY INVESTING ACTIVITIES | <u>317,084</u>              |
| NET INCREASE IN CASH AND CASH EQUIVALENTS       | 1,710,138                   |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR  | <u>10,203,478</u>           |
| CASH AND CASH EQUIVALENTS AT END OF YEAR        | <u><u>\$ 11,913,616</u></u> |
| RECONCILIATION OF CHANGE IN NET POSITION        |                             |
| TO NET CASH PROVIDED BY OPERATING ACTIVITIES    |                             |
| Change in net position                          | \$ 990,894                  |
| Adjustments to reconcile change in net position |                             |
| to net cash flows used by operating activities  |                             |
| Depreciation                                    | 2,342                       |
| Interest on investments                         | (321,319)                   |
| Increase in equity in CRL                       | (39,775)                    |
| Net outflows of resources relating to pension   | (66,796)                    |
| Unrealized gain on investments                  | 2,579                       |
| Accounts receivable                             | (1,987)                     |
| Reserves for loss and loss adjustment expenses  | 374,688                     |
| Accrued expenses                                | 17,040                      |
| Contributions paid in advance                   | 480,521                     |
| Total adjustments                               | <u>402,160</u>              |
| NET CASH PROVIDED BY OPERATING ACTIVITIES       | <u><u>\$ 1,393,054</u></u>  |

The notes to the financial statements are an integral part of this statement



## UTAH COUNTIES INDEMNITY POOL

### Statement of Cash Flows

For the Year Ended December 31, 2018

|   |                      |
|---|----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES            |                      |
| Contributions collected                         | \$ 6,602,701         |
| Other fees collected                            | 24,208               |
| Reinsurance paid                                | (1,748,005)          |
| Losses and loss expenses paid                   | (2,443,605)          |
| Cash paid to employees                          | (745,623)            |
| Other administrative expenses paid              | (296,622)            |
| CASH FLOWS PROVIDED BY OPERATING ACTIVITIES     | <u>1,393,054</u>     |
| CASH FLOWS FROM INVESTING ACTIVITIES            |                      |
| Purchase of investments                         | (295,051)            |
| Sale of investments                             | 200,000              |
| Investment income                               | 323,898              |
| Purchase of capital assets                      | 88,238               |
| NET CASH FLOWS PROVIDED BY INVESTING ACTIVITIES | <u>317,084</u>       |
| NET INCREASE IN CASH AND CASH EQUIVALENTS       | 1,710,138            |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR  | <u>10,203,478</u>    |
| CASH AND CASH EQUIVALENTS AT END OF YEAR        | <u>\$ 11,913,616</u> |
| RECONCILIATION OF CHANGE IN NET POSITION        |                      |
| TO NET CASH PROVIDED BY OPERATING ACTIVITIES    |                      |
| Change in net position                          | \$ 1,050,040         |
| Adjustments to reconcile change in net position |                      |
| to net cash flows used by operating activities  |                      |
| Depreciation                                    | 2,342                |
| Interest on investments                         | (321,319)            |
| Increase in equity in CRL                       | (98,921)             |
| Net outflows of resources relating to pension   | (66,796)             |
| Unrealized gain on investments                  | 2,579                |
| Accounts receivable                             | (1,987)              |
| Prepaid expenses                                | (45,133)             |
| Reserves for loss and loss adjustment expenses  | 374,688              |
| Accrued expenses                                | 17,040               |
| Contributions paid in advance                   | 480,521              |
| Total adjustments                               | <u>343,014</u>       |
| NET CASH PROVIDED BY OPERATING ACTIVITIES       | <u>\$ 1,393,054</u>  |

The notes to the financial statements are an integral part of this statement

UTAH COUNTIES INDEMNITY POOL

Member Equity Calculation

| County     | 2019        |              | Total       |              |                | Percentage  |                            |
|------------|-------------|--------------|-------------|--------------|----------------|-------------|----------------------------|
|            | Premium     | Premium      | Equity      | WC Deficit   | Dividend Rcv'd | Net Equity  | Net Equity to 2019 Premium |
| Beaver     | \$ 167,036  | \$ 2,384,892 | \$ 213,741  | (\$ 50,930)  | \$ 7,152       | \$ 155,659  | 93.2%                      |
| Box Elder  | 324,196     | 5,781,069    | 604,905     | ( 133,938)   | 4,561          | 466,406     | 143.9%                     |
| Daggett    | 51,067      | 1,003,515    | 63,886      | ( 33,220)    | 500            | 30,166      | 59.1%                      |
| Davis      | 847,278     | 12,697,653   | 1,137,282   | ( 305,179)   | 10,836         | 821,267     | 96.9%                      |
| Duchesne   | 282,746     | 3,686,063    | 335,898     | ( 95,294)    | 2,616          | 237,988     | 84.2%                      |
| Emery      | 200,171     | 4,951,968    | 587,444     | ( 127,706)   | 3,096          | 456,642     | 228.1%                     |
| Garfield   | 139,404     | 2,457,889    | 228,707     | ( 49,426)    | 7,397          | 171,884     | 123.3%                     |
| Iron       | 328,734     | 5,356,876    | 544,036     | ( 122,339)   | 5,303          | 416,394     | 126.7%                     |
| Juab       | 147,955     | 2,877,343    | 283,380     | ( 87,900)    | 7,088          | 188,392     | 127.3%                     |
| Kane       | 175,900     | 2,721,542    | 229,087     | ( 61,285)    | 2,534          | 165,268     | 94.0%                      |
| Millard    | 257,275     | 4,186,703    | 363,918     | ( 113,026)   | 3,850          | 247,042     | 96.0%                      |
| Morgan     | 74,192      | 1,031,306    | 34,446      | ( 39,796)    | 500            | ( 5,850)    | ( 7.9%)                    |
| Plute      | 33,153      | 594,917      | 54,213      | ( 18,775)    | 1,392          | 34,046      | 102.7%                     |
| Rich       | 39,832      | 1,117,409    | 111,528     | ( 35,596)    | 737            | 75,195      | 188.8%                     |
| San Juan   | 218,922     | 4,520,304    | 423,171     | ( 121,603)   | 4,030          | 297,538     | 135.9%                     |
| Sanpete    | 178,462     | 2,610,047    | 281,166     | ( 52,586)    | 1,868          | 226,712     | 127.0%                     |
| Sevier     | 217,414     | 3,212,315    | 278,633     | ( 67,396)    | 2,892          | 208,345     | 95.8%                      |
| Uintah     | 403,289     | 6,926,772    | 644,954     | ( 152,578)   | 11,127         | 481,249     | 119.3%                     |
| Wasatch    | 294,558     | 5,201,735    | 448,509     | ( 154,015)   | 4,424          | 290,070     | 98.5%                      |
| Washington | 600,314     | 7,986,842    | 708,385     | ( 185,871)   | 6,812          | 515,702     | 85.9%                      |
| Wayne      | 47,461      | 1,240,859    | 123,248     | ( 32,616)    | 1,613          | 89,019      | 187.6%                     |
| Weber      | 1,233,708   | 13,253,999   | 774,648     | ( 372,087)   | 500            | 402,061     | 32.6%                      |
| Total      | \$6,263,067 | \$95,802,017 | \$8,475,185 | ( 2,413,158) | \$ 90,828      | \$5,971,199 | 95.3%                      |



**Utah Retirement Systems**  
**Final Condensed Retirement Contribution Rate Guide**  
Fiscal Year July 1, 2019 - June 30, 2020

|  | Tier 1 DB System              |          |         |  | Tier 1 Post Retired  |  |  |  | Tier 2 - DB Hybrid System     |          |        |       | Tier 2 - DC Plan              |          |        |       |
|--|-------------------------------|----------|---------|--|--|--|--|--|-------------------------------|----------|--------|-------|-------------------------------|----------|--------|-------|
|  | Contribution Reporting Fields |          |         |  | Contribution Reporting Fields  |  |  |  | Contribution Reporting Fields |          |        |       | Contribution Reporting Fields |          |        |       |
|  | Employee                      | Employer | TOTAL   |  | Post Retired<br>Employment after<br>6/30/2010 - NO 401(k)<br>Amortization of UAA** | Post Retired<br>Employment before<br>7/1/2010<br>Optional 401(k) Cap |  |  | Tier 2<br>Fund                | Employer | 401(k) | TOTAL | Tier 2<br>Fund                | Employer | 401(k) | TOTAL |
| <b>Public Employees</b>                  |                               |          |         |  |  |  |  |  |                               |          |        |       |                               |          |        |       |
| <b>Contributory Retirement System</b>    |                               |          |         |  |  |  |  |  |                               |          |        |       |                               |          |        |       |
| 11- Local Government                     | 6.00                          | 14.46    | 20.46   |  | 8.37   | 12.09  |  |  | 111                           | 17.42    | 1.03   | 18.45 | 211                           | 8.45     | 10.00  | 18.45 |
| 12- State and School <sup>1</sup>        | 6.00                          | 17.70    | 23.70   |  | 12.25  | 11.45  |  |  |                               |          |        |       |                               |          |        |       |
| 17- Higher Education                     | 6.00                          | 17.70    | 23.70   |  | 12.25  | 11.45  |  |  |                               |          |        |       |                               |          |        |       |
| <b>Public Employees</b>                  |                               |          |         |  |  |  |  |  |                               |          |        |       |                               |          |        |       |
| <b>Noncontributory Retirement System</b> |                               |          |         |  |  |  |  |  |                               |          |        |       |                               |          |        |       |
| 15- Local Government                     | -                             | 18.47    | 18.47   |  | 6.61   | 11.86  |  |  | 111                           | 15.66    | 1.03   | 16.69 | 211                           | 6.69     | 10.00  | 16.69 |
| 16- State and School <sup>1</sup>        | -                             | 22.19    | 22.19 * |  | 9.94   | 12.25  |  |  | 112                           | 18.99    | 1.03   | 20.02 | 212                           | 10.02    | 10.00  | 20.02 |
| 18- Higher Education                     | -                             | 22.19    | 22.19 * |  | 9.94   | 12.25  |  |  | 117                           | 18.99    | 1.03   | 20.02 | 217                           | 10.02    | 10.00  | 20.02 |
| <b>Public Safety</b>                     |                               |          |         |  |  |  |  |  |                               |          |        |       |                               |          |        |       |
| <b>Contributory Retirement System</b>    |                               |          |         |  |  |  |  |  |                               |          |        |       |                               |          |        |       |
| Division A                               |                               |          |         |  |  |  |  |  |                               |          |        |       |                               |          |        |       |
| 23- Other Division A With 2.5% COLA      | 12.29                         | 22.79    | 35.08   |  | 11.77  | 23.31  |  |  | 122                           | 23.15    | 0.70   | 23.85 | 222                           | 11.85    | 12.00  | 23.85 |
| 77- Other Division A With 4% COLA        | 12.29                         | 24.37    | 36.66   |  | 12.93  | 23.73  |  |  | 122                           | 24.31    | 0.70   | 25.01 | 222                           | 13.01    | 12.00  | 25.01 |
| Division B                               |                               |          |         |  |  |  |  |  |                               |          |        |       |                               |          |        |       |
| 29- Other Division B With 2.5% COLA      | 10.50                         | 22.81    | 33.31   |  | 9.77   | 23.54  |  |  | 122                           | 21.15    | 0.70   | 21.85 | 222                           | 9.85     | 12.00  | 21.85 |
| 74- Other Division B With 4% COLA        | 10.50                         | 28.98    | 39.48   |  | 15.94  | 23.54  |  |  | 122                           | 27.32    | 0.70   | 28.02 | 222                           | 16.02    | 12.00  | 28.02 |
| <b>Public Safety</b>                     |                               |          |         |  |  |  |  |  |                               |          |        |       |                               |          |        |       |
| <b>Noncontributory Retirement System</b> |                               |          |         |  |  |  |  |  |                               |          |        |       |                               |          |        |       |
| Division A                               |                               |          |         |  |  |  |  |  |                               |          |        |       |                               |          |        |       |
| 42- State With 4% COLA                   | -                             | 41.35    | 41.35   |  | 18.46  | 22.89  |  |  | 122                           | 29.84    | 0.70   | 30.54 | 222                           | 18.54    | 12.00  | 30.54 |
| 43- Other Division A With 2.5% COLA      | -                             | 34.04    | 34.04   |  | 11.75  | 22.29  |  |  | 122                           | 23.13    | 0.70   | 23.83 | 222                           | 11.83    | 12.00  | 23.83 |
| 75- Other Division A With 4% COLA        | -                             | 35.71    | 35.71   |  | 12.91  | 22.80  |  |  | 122                           | 24.29    | 0.70   | 24.99 | 222                           | 12.99    | 12.00  | 24.99 |
| 48- Bountiful With 2.5% COLA             | -                             | 50.38    | 50.38   |  | 26.89  | 23.49  |  |  | 122                           | 38.27    | 0.70   | 38.97 | 222                           | 26.97    | 12.00  | 38.97 |
| Division B                               |                               |          |         |  |  |  |  |  |                               |          |        |       |                               |          |        |       |
| 44- Salt Lake City With 2.5% COLA        | -                             | 46.71    | 46.71   |  | 24.20  | 22.51  |  |  | 122                           | 35.58    | 0.70   | 36.28 | 222                           | 24.28    | 12.00  | 36.28 |
| 45- Ogden With 2.5% COLA                 | -                             | 48.72    | 48.72   |  | 26.30  | 22.42  |  |  | 122                           | 37.68    | 0.70   | 38.38 | 222                           | 26.38    | 12.00  | 38.38 |
| 46- Provo With 2.5% COLA                 | -                             | 42.23    | 42.23   |  | 19.61  | 22.62  |  |  | 122                           | 30.99    | 0.70   | 31.69 | 222                           | 19.69    | 12.00  | 31.69 |
| 47- Logan With 2.5% COLA                 | -                             | 41.97    | 41.97   |  | 19.37  | 22.60  |  |  | 122                           | 30.75    | 0.70   | 31.45 | 222                           | 19.45    | 12.00  | 31.45 |
| 49- Other Division B With 2.5% COLA      | -                             | 32.28    | 32.28   |  | 9.66   | 22.62  |  |  | 122                           | 21.04    | 0.70   | 21.74 | 222                           | 9.74     | 12.00  | 21.74 |
| 76- Other Division B With 4% COLA        | -                             | 38.97    | 38.97   |  | 15.94  | 23.03  |  |  | 122                           | 27.32    | 0.70   | 28.02 | 222                           | 16.02    | 12.00  | 28.02 |
| <b>Firefighters' Retirement System</b>   |                               |          |         |  |  |  |  |  |                               |          |        |       |                               |          |        |       |
| Division A                               |                               |          |         |  |  |  |  |  |                               |          |        |       |                               |          |        |       |
| 31- Division A                           | 15.05                         | 4.61     | 19.66   |  | -  | 19.66  |  |  | 132                           | 11.38    | 0.70   | 12.08 | 232                           | 0.08     | 12.00  | 12.08 |
| Division B                               |                               |          |         |  |  |  |  |  |                               |          |        |       |                               |          |        |       |
| 32- Division B                           | 16.71                         | 7.24     | 23.95   |  | -  | 23.95  |  |  | 132                           | 11.38    | 0.70   | 12.08 | 232                           | 0.08     | 12.00  | 12.08 |
| <b>Judges' Retirement System</b>         |                               |          |         |  |  |  |  |  |                               |          |        |       |                               |          |        |       |
| 37- Judges' Noncontributory              | -                             | 43.75    | 43.75   |  |  |  |  |  |                               |          |        |       |                               |          |        |       |

\* Does not include the required 1.5% 401(k) contribution.

\*\* Unfunded Actuarial Accrued Liability

1 Public School Districts and Charter School rates are effective September 1, 2019 - August 31, 2020

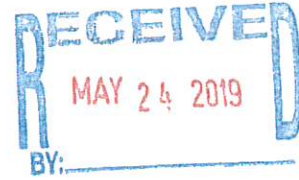


## UTAH COUNTIES INDEMNITY POOL BUDGET

|                                      | Audit<br>2018       | Approved<br>2019  | Preliminary<br>2020 |
|--------------------------------------|---------------------|-------------------|---------------------|
| <b>Revenue</b>                       |                     |                   |                     |
| Contributions                        | \$ 6,124,167        | \$ 6,761,783      | \$ 6,970,762        |
| Investments                          | 417,661             | 200,000           | 315,000             |
| Other                                | 24,208              | 7,000             | 15,000              |
| <b>Total Income</b>                  | <b>6,566,036</b>    | <b>6,968,783</b>  | <b>7,300,762</b>    |
| <b>Underwriting Expense</b>          |                     |                   |                     |
| Losses and Loss Adjustments          | 2,818,293           | 3,500,000         | 3,500,000           |
| Reinsurance                          | 1,702,872           | 1,900,000         | 1,900,000           |
| <b>Total Underwriting Expenses</b>   | <b>4,521,165</b>    | <b>5,400,000</b>  | <b>5,400,000</b>    |
| <b>Administrative Expense</b>        |                     |                   |                     |
| Trustees                             | 31,501              | 55,000            | 55,000              |
| Depreciation                         | 2,342               | 3,000             | 3,000               |
| Risk Management                      | 55,772              | 70,000            | 70,000              |
| Public Relations                     | 20,424              | 22,000            | 22,000              |
| Office                               | 98,382              | 90,000            | 100,000             |
| Financial/Professional               | 90,543              | 100,000           | 100,000             |
| Personnel                            | 695,867             | 765,000           | 787,950             |
| <b>Total Administrative Expenses</b> | <b>994,831</b>      | <b>1,105,000</b>  | <b>1,137,950</b>    |
| <b>Total Operating Expense</b>       | <b>5,515,996</b>    | <b>6,505,000</b>  | <b>6,537,950</b>    |
| <b>Change in Net Position</b>        | <b>\$ 1,050,040</b> | <b>\$ 463,783</b> | <b>\$ 762,812</b>   |







Dear SONYA WHITE,

RE: UTAH COUNTIES INDEMNITY POOL

#### IMPORTANT PLAN UPDATES – YOUR ACTION NEEDED

This is a follow up request to an options package that you should have previously received concerning your Nationwide Fixed Annuity Contract available in your 457(b) Deferred Compensation Plan. We ask that you please review the attached information and respond by the requested date of June 26, 2019.

Nationwide works to help employees save with confidence. Our goal is to help America's workers prepare for and live in retirement. One of the ways we work to achieve this goal is by periodically evaluating our suite of products, tools and resources. These evaluations lead to adjustments which allow for the continued delivery of an *On Your Side*® service experience to you and your participants.

As previously communicated, Nationwide is taking steps to change the Guaranteed Minimum Interest Rate of the Fixed Annuity Contract available in your plan. As a contract holder, you have options. The following packet includes all the steps required to make the necessary changes to your plan.

#### Next Steps

As part of this change, we are asking you to consider the options outlined in the enclosed *Guaranteed Minimum Interest Rate Change: Explanation of Options*. As Plan Sponsor, you have a responsibility to make decisions on behalf of the entire plan regarding products and features available to your plan participants.

Please take time to review the options and sign and return the required documents to Nationwide. **If you do not select one of the options provided, new contributions will no longer be accepted to your current Fixed Contract.** This includes, but is not limited to, payroll contributions, rollovers, transfers and exchanges. All future contributions will be invested into your plan's Default Investment Alternative Fund.

#### Questions?

Refer to the enclosed FAQ for more information. If you have additional questions about this change or the options available for the adjustment, please contact our service center at 877-496-1630 or your local Nationwide Retirement Solutions Representative. Our specialists are available Monday through Friday, 8 a.m. to 8 p.m. Eastern time.

Thank you for your partnership as we mutually work to help your participants prepare for and live in retirement.

Sincerely,  
Nationwide Retirement Solutions

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NRM-17093AO (05/18)



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### Guaranteed Minimum Interest Rate Change: Explanation of Options

Please consider your available options before making a selection on the *Guaranteed Minimum Interest Rate Change: Options Form* (the *Options Form*). The *Options Form* and required documents are enclosed. **An option will need to be chosen and sent in to prevent your current fixed fund from being closed to future contributions, including rollovers, transfers and exchanges.**

#### 1) Option One

Your contract is amended to lower the Guaranteed Minimum Interest Rate annually on the following schedule:

| 2019 | 2020 | 2021 | 2022 | 2023 |
|------|------|------|------|------|
| 3.5% | 2.5% | 2.0% | 1.0% | 0.5% |

Nationwide commits to limiting the reduction of the Crediting Rate<sup>1</sup> to no more than 0.12% per quarter for the next 12 quarters. The reduction is based on market conditions and investment performance and may be less than 0.12%, which is the maximum per quarter as illustrated in the following table:

|         | GMIR  | Minimum Gross Crediting Rate | Exchange/Transfer Limit |
|---------|-------|------------------------------|-------------------------|
| Q2 2020 | 2.50% | 3.38%                        | 20% annual              |
| Q3 2020 | 2.50% | 3.26%                        | 20% annual              |
| Q4 2020 | 2.50% | 3.14%                        | 20% annual              |
| Q1 2021 | 2.00% | 3.02%                        | 20% annual              |

#### 2) Option Two

The contract is amended to lower the Guaranteed Minimum Interest Rate annually on the same schedule shown in Option One. Additionally, the annual per participant exchange and transfer limit is also increased from 20% to 40%.

Nationwide commits to limiting the reduction of the Crediting Rate<sup>1</sup> to no more than 0.12% for the next 12 quarters. However, because of the increased exchange and transfer limit, the Crediting Rate under this option will be 0.10% less per quarter than under Option One, as illustrated in the following table:

|         | GMIR  | Minimum Gross Crediting Rate | Exchange/Transfer Limit |
|---------|-------|------------------------------|-------------------------|
| Q2 2020 | 2.50% | 3.28%                        | 40% annual              |
| Q3 2020 | 2.50% | 3.16%                        | 40% annual              |
| Q4 2020 | 2.50% | 3.04%                        | 40% annual              |
| Q1 2021 | 2.00% | 2.92%                        | 40% annual              |

<sup>1</sup>The Crediting Rate is the interest rate credited as an annual effective yield as determined by your Fixed Annuity Contract.

## What happens if I don't select an Option?

**Default** If you do not act on any option, you are electing to place future participant allocations into your existing Default Investment Alternative Fund (DIA), or in the most conservative investment option in the plan's core fund line up if a DIA does not exist. Subsequently, if your participants do not elect a new investment to replace the Fixed Annuity Contract option, the DIA will be used for future contributions that would have otherwise been allocated into the Fixed Annuity Contract. Your plan's current fund lineup can be viewed online at [www.nrsforu.com/plansponsor](http://www.nrsforu.com/plansponsor). The participants will be notified of the change so that they may have the opportunity to change their allocation.

**Important Note:** Please see the notice below on how plans that offer ProAccount Managed Account Services, provided by Nationwide Investment Advisors, will be affected by not choosing an option and defaulting.

## Important notification concerning ProAccount Managed Account Services and the Guaranteed Minimum Interest Rate Changes

If your plan offers Nationwide ProAccount Managed Account Services, please take a moment to read why your option selection is important to ProAccount balances of your participants. By selecting Options 1 or 2 on the enclosed Options Form, there will be no changes to the participant's allocation within ProAccount and your participants will have no disruption to their managed account services.

However, if you do not act on either option, you are electing to place future participant allocations into your existing Default Investment Alternative Fund (DIA), or in the most conservative investment option in the plan's core fund line up if a DIA does not exist. Your plan will no longer have an active Fixed Annuity Contract and ProAccount will no longer have access to the existing balances of the Fixed Assets that are currently under ProAccount management. The Fixed Assets will be held in the participants' account outside of ProAccount at the 3.5% GMIR and will not be open to new contributions. Those participants with ProAccount will no longer have the Fixed Annuity Contract available in their ProAccount allocation and will be invested in other conservative allocation options available in your plan.

Participants who wish to fully incorporate their Nationwide retirement plan assets in professional management can contact Nationwide to move the assets currently invested in the Fixed Annuity Contract into their ProAccount Portfolio. Plan Level Exchange and Transfer contract features will still apply.

Please contact our service center at 877-496-1630 or your local Nationwide Retirement Solutions Representative if you have any questions. Our specialists are available Monday through Friday, 8 a.m. to 8 p.m. Eastern time.





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## **FAQ: Guaranteed Minimum Interest Rate**

What is changing?

We're adjusting the Guaranteed Minimum Interest Rate (GMIR) to ensure we can continue offering current and future participants valuable retirement plan solutions. Accordingly, Nationwide must align with the market and gradually reduce the GMIR in our fixed annuity contracts.

What is a Guaranteed Minimum Interest Rate?

The Guaranteed Minimum Interest Rate is the lowest Crediting Rate that Nationwide will credit to participant accounts under the terms of the contract.

What is a Crediting Rate?

The Crediting Rate is the interest rate credited as an annual effective yield to participants that are invested in the fixed annuity on a daily basis. The Crediting Rate is determined on a quarterly basis by Nationwide and is different than the GMIR.

Why is Nationwide making this change now?

As we survey the retirement plans market, we've recognized a need to change a feature of our product suite—the Guaranteed Minimum Interest Rate (GMIR) of the fixed annuity contract available in your plan. Over the past five years, many providers have lowered their GMIRs. During that time, Nationwide did not take any action; however, long-term interest rates have only increased modestly, creating an interest rate environment in which we can no longer offer an above-market crediting rate.

For the last several years, the industry has operated in a consistently low interest rate environment, which has directly impacted the investment returns available in the market. During this time, Nationwide has continued to provide an above-market crediting rate to participants invested in our fixed contract, but now recognizes the need to adjust the GMIR to allow for more market driven crediting rates.

What is the difference between a Crediting Rate and a GMIR?

While the quarterly Crediting Rate may vary depending on market conditions and investment performance, the GMIR is the minimum interest rate established under the Contract. It is meant to act as a floor, meaning regardless of market conditions or investment performance, participants with assets invested in the Contract will not receive a crediting rate that is lower than the GMIR.

What happens when the crediting rate wants to drop below the GMIR but is limited by the guarantee?

Nationwide's goal is to pay a competitive crediting rate to participants. Reducing the Guaranteed Minimum Interest Rate may not have a direct impact on the crediting rate that is paid to the participant. Even though Nationwide will annually step down the Guaranteed Minimum Interest Rate to 0.5%, the crediting rate may change quarterly. And while it may be reduced occasionally due to market conditions or investment performance, it will never drop below the Guaranteed Minimum Interest Rate.

What can I expect from Nationwide?

You can expect Nationwide to continue to offer a competitive crediting rate to your participants. Our goal is to help America's workers prepare for and live in retirement and we will help do this through the products and services that we offer. Nationwide can also provide materials and tools to help communicate this change to affected participants upon request.

What is the exchange and transfer limit under Option 2?

The percentage of the participant's assets invested in the contract which can be exchanged or transferred out of the contract per year will be increased from 20% to 40%, enabling your participants to transfer more money out of their Fixed asset. If the limit is exceeded, no further exchanges or transfers will be permitted until the following year.

When will the change to the GMIR be effective?

The adjustment for any option selected and the default option, if no option is selected, will be effective on 4/1/2020.



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### Guaranteed Minimum Interest Rate Change: Options Form

Plan Name: UTAH COUNTIES INDEMNITY POOL

Entity Number: 0036786001

Please select only one of the options below, sign the bottom of this page, and return both this Options Form and any required documents by June 26, 2019

☐ **Option One: Crediting Rate**

- Return Signed Options Form
- Return Signed Amendment

☐ **Option Two: Increased Participant Level Exchange and Transfer Limit**

- Return Signed Options Form
- Return Signed Amendment

*Please Note: If you do not act, you are electing to place those participant allocations in your existing Default Investment Alternative on file, or in the most conservative investment option in the plan's core fund line up if a DIA does not exist. Participants will be notified of the change so that they may have the opportunity to change their allocation.*

The signed documents can be returned to Nationwide in one of three ways:

- Return in the provided envelope
- Scan and email to NRSFORU@nationwide.com
- Fax directly to 1-877-677-4329

For information about each option, please refer to the *Guaranteed Minimum Interest Rate Change: Explanation of Options*.

**OPTION 1**

**Or**

**OPTION 2**

**REQUIRED  
DOCUMENTS**

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**Plan Sponsor Signature**

**Date**

*By signing above, I certify that I have the authority to act on behalf of the Plan and that I have fully reviewed the information provided to me. The unregistered group variable and fixed annuity is issued by, and any guarantees are subject to the claims-paying ability of, Nationwide Life Insurance Company, Columbus, OH.*

*Nationwide, the Nationwide N and Eagle and Nationwide is on your side are service marks of Nationwide Mutual Insurance Company. © 2018 Nationwide.*

PNM-17094AO (05/18)

NATIONWIDE LIFE INSURANCE COMPANY  
ONE NATIONWIDE PLAZA  
COLUMBUS, OHIO 43215

**FIXED ACCOUNT AMENDMENT**  
to  
**Group Flexible Purchase Payment Deferred Variable Annuity Contract**

**General Information Regarding this Amendment**

This Fixed Account Amendment replaces the Fixed Account Endorsement that was previously issued to the Contract Owner and is made a part of the Contract to which it is attached. To the extent the terms of the Contract and this Amendment are inconsistent, the terms of this Amendment shall control the Contract accordingly. Non-defined terms shall have the meaning given to them in the Contract.

**WHEREAS**, the above-referenced group annuity Contract was issued to the Contract Owner for the benefit of the Participants and their Beneficiaries in the Contract Owner's Plan by Nationwide Life Insurance Company ("Nationwide") along with a Fixed Account Endorsement; and

**WHEREAS**, Nationwide and the Contract Owner wish to modify the Contract provisions that were added to the Contract through the Fixed Account Endorsement pursuant to the Alteration or Modification section of the Contract,

**NOW, THEREFORE**, pursuant to the agreement of Nationwide and the Contract Owner, the Contract is hereby modified as follows:

1. The terms and provisions that were added to the Contract through the Fixed Account Endorsement are deleted in their entirety and replaced with the following:

**DEFINITIONS**

The following definitions are modified in, or added to, the Contract:

**Annual Guaranteed Interest Rate** - The minimum guaranteed interest rate applied to the Fixed Account for a calendar year. Nationwide determines this rate at its sole discretion.

**Contract Value** - The combined value of the Variable Account(s) and the Fixed Account.

**Exchange** - The movement of amounts attributable to Participant Accounts to a Companion Investment Option under the Plan, or from one or more Sub-Accounts of the Variable Account to one or more Sub-Accounts of the Variable Account, or from one or more Sub-Accounts of the Variable Account to the Fixed Account, or from the Fixed Account to a Companion Investment Option under the Plan or to one or more Sub-Accounts of the Variable Account.

**Fixed Account** - An option funded by Nationwide's general account crediting specified interest rates.

**Guaranteed Minimum Fixed Account Interest Rate** - A minimum interest rate established under the Contract. All rates under the Contract are guaranteed to be at least as great as the Guaranteed Minimum Fixed Account Interest Rate.

**Participant Account Value** - The present value of the units and the Fixed Account attributable to a Participant's Account.

**Quarterly Guaranteed Interest Rate** - The minimum guaranteed interest rate applied to the Fixed Account for a calendar quarter. This rate may be equal to or greater than the applicable Annual Guaranteed Interest Rate. Nationwide determines this rate at its sole discretion.



## **FIXED ACCOUNT**

The following is added to the Contract:

### **General Information Regarding the Fixed Account**

The Fixed Account is an investment option under the Contract offering an Annual Guaranteed Interest Rate and a Quarterly Guaranteed Interest Rate. The Contract also provides a Guaranteed Minimum Fixed Account Interest Rate. Nationwide credits interest to the Fixed Account at these rates that it prospectively declares. At no time will there be an interest rate declared that is lower than the Guaranteed Minimum Fixed Account Interest Rate. Interest rates are determined at the sole discretion of Nationwide, and Nationwide reserves the right to modify the Guaranteed Minimum Fixed Account Interest Rate upon notice to the Contract Owner in accordance with the Alteration and Modification section of the Contract. Nationwide declares all of its rates as annual effective yields. Nationwide reserves the right to discontinue accepting additional Purchase Payments and Transfer and Exchange allocations to the Fixed Account at any time.

Fixed Account guarantees are supported by the general account of Nationwide and are not insured by the FDIC, NCUSIF or any other agency of the Federal government. The Fixed Account is a non-participating option. Allocations to the Fixed Account do not share in any surplus of Nationwide.

### **Guaranteed Interest Rates**

The Guaranteed Minimum Fixed Account Interest Rate for the Contract is listed on the Contract Specifications Page. Nationwide reserves the right to modify the Guaranteed Minimum Fixed Account Interest Rate upon notice to the Contract Owner in accordance with the Alteration or Modification section of the Contract.

No later than the last Business Day of a calendar year, Nationwide declares the Annual Guaranteed Interest Rate for the Fixed Account for the next calendar year. In addition, no later than the last Business Day of a calendar quarter, Nationwide will declare the Quarterly Guaranteed Interest Rate, that is calculated on an annualized basis, to be credited to the Fixed Account for the next calendar quarter.

### **Crediting Interest to the Fixed Account**

Nationwide interest rates are all declared as annual effective yields. An effective yield takes into account the effect of interest compounding. Nationwide credits interest to the Fixed Account on each Business Day. Annual effective yields are converted by Nationwide into a daily interest rate factor. The current Fixed Account value is calculated by taking the daily interest rate factor and multiplying it by the previous Business Day's Fixed Account value. Because interest is credited only on Business Days, interest from multiple non-Business Days (e.g., days falling on a weekend or holidays) accumulate and are credited on the next available Business Day.

### **Calculating the Fixed Account Value**

The Fixed Account value on any given Business Day is equal to:

- (1) total Purchase Payments allocated to the Fixed Account; plus
- (2) The daily interest earned, plus
- (3) Exchanges or Transfers to the Fixed Account, minus
- (4) Exchanges or Transfers out of the Fixed Account; minus
- (5) Withdrawals from the Fixed Account; minus
- (6) Participant Benefit Payments; minus
- (7) any applicable Contract Maintenance Charge, the aggregate Participant Account Charge, charges associated with plan expenses or additional services, additional expense charges, and premium taxes that are applied to Participant Accounts.





### **Calculating a Participant Account Value in the Fixed Account**

A Participant Account Value in the Fixed Account on any given Business Day is equal to:

- (1) total Participant Contributions allocated to the Fixed Account; plus
- (2) the daily interest earned on the Participant's Account; plus
- (3) Exchanges or Transfers to the Fixed Account; minus
- (4) Exchanges or Transfers out of the Fixed Account; minus
- (5) Withdrawals from the Fixed Account; minus
- (6) Participant Benefit Payments; minus
- (7) any applicable Contract Maintenance Charge, the aggregate Participant Account Charge, charges associated with plan expenses or additional services, additional expense charges, and premium taxes that are applied to Participant Accounts.

### **CONTRACT EXPENSES**

The "Contract Expenses" provision of the Contract is amended with the addition of the following.

Unless otherwise mutually agreed to by the Contract Owner and Nationwide, all expenses and charges attributable to the Contract, except the Variable Account Charge, will be deducted proportionally from the Variable Account(s) and the Fixed Account based on the value each account bears to the total Contract Value. Any applicable expenses or charges attributable to a Participant Account will be deducted proportionally and in the same manner.

#### **Premium Taxes**

Any applicable premium taxes will be deducted from the Fixed Account in the manner described in the Contract.

### **EXCHANGES AND TRANSFERS**

The following is added to the Contract:

#### **Exchanges and Transfers to and from the Fixed Account**

Nationwide will generally accept Exchanges and Transfers to the Contract. Nationwide reserves the right to discontinue accepting Exchanges and Transfers to the Fixed Account at any time.

Exchanges and Transfers out of the Fixed Account are subject to certain limitations. The Contract Owner elects at the time of application to accept a Participant level Exchange and Transfer limitation or an aggregate Contract level Exchange and Transfer limitation. Liquidations of Contract Value via Exchange and Transfer are combined into a single percentage limitation. The type of limitation and percentage limitation are listed on the Contract Specifications Page.

Nationwide, in its sole discretion, may agree not to impose any Exchange or Transfer restrictions. If no such Exchange or Transfer restrictions will be imposed, this will be reflected on the Contract Specifications Page. In the event that Exchange or Transfer restrictions are imposed under the Contract, Nationwide may agree to waive any Exchange and/or Transfer restrictions listed on the Contract Specification Page on Exchanges and Transfers involving Participants actively utilizing asset allocation models or asset allocation services available under the Plan.

All Exchange and Transfer limitations are set, or reset, on a calendar year basis. The permissible Exchange and Transfer amount cannot be rolled from year to year or otherwise "banked" for utilization in subsequent calendar years.



The Contract Owner may request to change the type of Exchange and Transfer limitation for the next calendar year if Nationwide receives, in a form acceptable to Nationwide, the request by at least ninety (90) days prior to the end of the preceding calendar year.

All Exchanges to and from the Fixed Account are done in conjunction with a Companion Investment Option. In order for Nationwide to accept Exchanges to or from a Companion Investment Option, the Contract Owner must identify the Companion Investment Option to Nationwide in writing and Nationwide must agree to accept Exchanges to or from the identified Companion Investment Option. Nationwide may discontinue accepting Exchanges to or from a Companion Investment Option by giving the Contract Owner at least thirty (30) days advance written notice.

In the event the Contract Owner elects to add a Companion Investment Option to the Plan with characteristics in structure, investment time horizon, rate setting, or any other characteristics that could compel on-going Exchanges between the Fixed Account and such Companion Investment Option, the Contract Owner shall provide Nationwide with notice of the addition of such a Companion Investment Option to the Plan at least ninety (90) days prior to the addition of such Companion Investment Option. If such a Companion Investment Option is added to the Plan, then Nationwide may impose an equity wash that prohibits direct Exchanges between the Fixed Account and such Companion Investment Option. Nationwide will notify the Contract Owner in the event an equity wash will be imposed with regard to Exchanges with a Companion Investment Option and the Fixed Account.

Nationwide processes Transfer requests within seven (7) Business Days of the date the request is received and accepted by Nationwide from the Contract Owner on behalf of the Participant, or directly from the Participant if permitted by the Plan. Nationwide may require Transfer requests to be on a form it provides.

#### **Sixty Month Exchange or Transfer Program**

If the Contract Owner has elected a Participant level Exchange and Transfer limitation, Nationwide may permit Participants to direct the complete liquidation of amounts attributable to a Participant Account that are allocated to the Fixed Account via a monthly Exchange or Transfer over a period of sixty (60) months. Nationwide may, in its sole discretion, permit the Contract Owner, on behalf of a Participant, to direct the complete liquidation of amounts attributable to a Participant Account that are allocated to the Fixed Account via monthly Exchange or Transfer over a period of sixty (60) months. Any such sixty (60) month Exchange or Transfer shall be subject to the following.

- (1) The amount to be Exchanged each month is equal to the value of the Fixed Account of the Participant Account divided by the number of remaining months until the 60 month Exchange or Transfer program is completed.
- (2) Any additional Participant Contribution, Exchange and/or Transfer to the Fixed Account of a Participant Account where the 60 month Exchange or Transfer program is in effect will result in immediate cancellation of any additional Exchanges or Transfers under this program.
- (3) If the Participant level Exchange limitation (whether the percentage limitation or number of transactions limit) has been met in the calendar year in which the request to initiate the 60 month Exchange or Transfer program is received, Nationwide will reject the request. The request may be made again beginning on the first day of the next calendar year.
- (4) The 60 month Exchange or Transfer program is only available for Participant Account Values of at least \$1,000.



## TERMINATION AND WITHDRAWALS

The following is added to the Contract.

### **Termination**

In the event the Contract Owner or Nationwide terminate the Contract, the following will apply to the Fixed Account.

At least thirty (30) days prior to the effective date of termination, the Contract Owner must elect one of the two Withdrawal methods listed below for amounts attributable to the Fixed Account.

- (1) Lump-sum Payment. If the Contract Owner elects to have funds Withdrawn from the Fixed Account in one lump-sum payment, Nationwide will pay to the Contract Owner the Withdrawal Value of amounts attributable to the Fixed Account less a market value adjustment if the present value of amounts attributable to the Withdrawal are less than the present Contract Value of such amounts. The market value adjustment is determined by Nationwide at its sole discretion, but will be done in a manner consistent with making a reasonable approximation of the present value of assets attributable to the Fixed Account. Nationwide will provide the Contract Owner the current procedures it uses to determine the market value adjustment upon request.
- (2) Sixty (60) Monthly Installments. If the Contract Owner elects to have funds Withdrawn from the Fixed Account in sixty (60) monthly installments, Nationwide will begin installment Withdrawals no later than ninety (90) days following the effective date of termination of the Contract, unless otherwise mutually agreed by the Contract Owner and Nationwide. The amount of each installment is determined by the following:

the Fixed Account value on the date before the installment is Withdrawn; divided by

- a) the number of remaining installments.
- b) Fixed Account Withdrawals in addition to installment Withdrawals will not be permitted, nor will any Exchanges or Transfers be permitted.


IN WITNESS WHEREOF, the parties have caused this Amendment to be executed this \_\_\_\_ day of \_\_\_\_\_, 201\_\_.

APPROVED:

CONTRACT OWNER: \_\_\_\_\_

NATIONWIDE LIFE INSURANCE  
COMPANY:

By: \_\_\_\_\_

By:  \_\_\_\_\_



**Subject:** FW: Increased Cyber Limits

**Date:** Thursday, June 13, 2019 at 3:51:49 PM Mountain Daylight Time

**From:** Sonya White <[sonya@ucip.utah.gov](mailto:sonya@ucip.utah.gov)>

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**From:** "[brent.wells@countyre.org](mailto:brent.wells@countyre.org)" <[brent.wells@countyre.org](mailto:brent.wells@countyre.org)>

**Date:** Thursday, May 9, 2019 at 7:43 AM

**To:** Johnnie Miller <[jmiller@ucip.utah.gov](mailto:jmiller@ucip.utah.gov)>

**Cc:** Breana Lea <[breana.lea@countyre.org](mailto:breana.lea@countyre.org)>, Philip Bell <[philip.bell@countyre.org](mailto:philip.bell@countyre.org)>, Pam Frassinetti <[pam.frassinetti@countyre.org](mailto:pam.frassinetti@countyre.org)>

**Subject:** RE: Increased Cyber Limits

Hi Johnnie,

The additional premium is only \$5,465 to add \$1M xs \$1M for the remaining members in the pool!  
This is the annualized cost, so prorated would be less.

Brent M. Wells, CPCU, ARM, ARe  
Underwriting Manager  
County Reinsurance, Limited  
P: (336) 354-4054  
C: (336) 782-8895

*"We deliver responsive reinsurance solutions and  
personalized services for our county pool owners."*

**UTAH COUNTIES INDEMNITY POOL  
BOARD MEETING RULES OF ORDER AND PROCEDURE POLICY**

**SECTION I. Effective Date and Frequency of Review.**

- A. The effective date of this policy is April 19, 2018.
- B. This policy should be reviewed annually, but not less than every three years by the Board. This policy will also be reviewed any time that changes to laws or rules governing the rules of procedure of board meetings of interlocal agencies are amended in a manner which would require review and update to this policy, or when the individual serving as Chair of the Board is changed.
- C. Failure to review this policy in the frequency stated shall not nullify, void, limit or waive this policy or any action taken under this policy.
- D. This policy is considered to be amended at the time any new federal or state law becomes effective which conflicts with this policy, but only to the extent necessary to come into compliance with new law.

**SECTION II. Purpose.**

- A. This policy outlines the Rules of Procedure of meetings of the Board in accordance with U.C.A. §11-13-404(3)(b)(i) and the UCIP Interlocal Agreement.
- B. The purpose of having formal written rules of procedure is to assure efficiency and compliance in all meetings conducted by the Board.

**SECTION III. Authority.**

- A. The Board has authority to adopt this policy under the UCIP Interlocal Agreement.

**SECTION IV. Applicability and Scope.**

- A. This policy applies to all ~~meetings~~ Meetings of the Board when acting as a ~~public~~ Public ~~body~~ Body.
- B. Meetings of the Board will include ~~meetings~~ Meetings held in person and electronically. Meetings held electronically will also comply with the policies and procedures identified in the Electronic Meeting Policy of the Board.

**SECTION V. Definitions.**

- A. "Agenda" means the properly noticed ~~agenda~~ list of items for discussion, deliberation or action of a meeting of the Board.

- B. "Board means the UCIP Board of Directors.
- C. "Chair" means the individual conducting a meeting of the UCIP Board of Directors.
- D. "Clerk" means the individual taking the minutes of a meeting of the Board.
- E. "Meeting" means a meeting as defined in OPMA.
- F. "Public Body" has the meaning as defined in OPMA.
- G. "OPMA" means the Utah Open and Public Meetings Act.

#### **SECTION VI. Policy Statements.**

- A. These rules of procedure shall be made available to the public at each meeting of the Board and on the UCIP website.
- B. The individual Board member who chairs a meeting of the Board shall assure these rules of procedure are adhered to during the meeting.

#### **SECTION VII. Procedures and Responsibilities.**

The Board has adopted a code of conduct for its meetings which follows three basic rules of conduct:

1. Courtesy is required at all times;
2. Discussion of other member's motives is never allowed; and
3. No one may speak on a motion a second time until everyone who wishes to do so has spoken once.

The following formal rules of procedure shall be used for each meeting of the Board:

- A. The Chair of a meeting of the Board shall call the meeting to order at the time shown in the notice of each such meeting.
- B. The roll of members present shall be called at each meeting and recorded in the minutes.
- C. The Chair shall conduct the meeting in an orderly, efficient and civil manner, and in accordance with all requirements of OPMA.
- D. The Chair shall assure no deliberation or action is taken on an item which was not properly noticed on the agenda.



- E. The Chair shall open each item on the Agenda for discussion, deliberation and/or action, in the order shown on the properly noticed Agenda, unless the order of the Agenda has been modified by action of the Board.
- F. No person attending the Meeting, either in person or through electronic means, shall address the Board until they have been recognized by the Chair. A person recognized shall surrender the floor when asked by the Chair to do so.
- G. The Chair shall not unreasonably refuse to recognize a member of the Board when the Board member requests to be recognized for purposes of discussion or making a motion on an item on the Agenda.
- H. The Chair shall have discretion to recognize staff, invited guests and the public to provide information or answer questions of the Board on items noticed for action or discussion on the agenda. The Chair shall have discretion to limit time provided to staff, invited guests and the public when they are recognized to speak on an item.
- I. A member of the Board who has been recognized by the Chair may make a motion to take action on an item that the Chair has opened for discussion on the Agenda, unless the motion for action is beyond the scope of the properly noticed Agenda item.
- J. The Chair shall solicit a second on a motion made by a member of the Board.
  - 1. If no member of the Board seconds the motion, the Chair shall announce the motion failed for lack of a second.
  - 2. If a motion is made and seconded, the Chair shall solicit further discussion of the Board on the motion.
  - 3. A member of the Board seconding a motion may request a friendly amendment to the motion prior to seconding the motion. If the member of the Board who made the motion agrees to the friendly amendment, the Chair shall move forward with the amended motion.
- K. A friendly amendment may be made by a member of the Board who is not the maker or second of a motion. The Chair shall confirm the maker and second of a motion are in favor of the friendly amendment before the motion is amended.
- L. A motion may not be made by a member of the Board if a motion that has been seconded is pending, to avoid multiple motions being open simultaneously.
- M. If a motion fails for lack of a second, or fails upon a vote of the Board, a new motion may be made by any member of Board on the item, once they have been recognized by the Chair.

- N. A member of the Board who believes further discussion on a motion is not needed may call the question to have a vote taken on the motion.
- O. ~~When the~~The Chair shall call for a vote on the motion when satisfied there is no further discussion on a motion necessary, or the question has been properly called.
  - 1. The Chair shall call for a vote on a motion by repeating or having the Clerk repeat the motion and asking for all those in favor to signify by specific sign, and all those opposed to signify by specific sign.
  - 2. If the vote on a motion is not unanimous, the Chair shall conduct a roll call vote to assure the vote of each member of the Board is documented in the minutes of the meeting.
- P. When all business to be conducted on the Agenda has been completed, the Chair shall solicit, or a member of the Board may offer, a motion to adjourn the meeting. If a second is made on a motion to adjourn, the Chair shall adjourn the meeting without debate.

#### **SECTION VIII. Revision History.**

- A. Original Policy Adoption: June 2014
- B. Revised: April 19, 2018
- C. Revised: June 21, 2019

#### **SECTION IX. Appendices.**

- A. There are no appendices to this policy.



## UTAH COUNTIES INDEMNITY POOL DIRECTOR TRAINING POLICY

### SECTION I.     **Effective Date and Frequency of Review.**

- A.     The Board originally adopted the Trustee Training Policy on February 16, 2017.
- B.     This policy should be reviewed annually, but not less than every three years by the Board. This policy will also be reviewed any time that changes to laws or rules governing the training of board members of interlocal agencies are amended in a manner which would require review and update to this policy.
- C.     Failure to review this policy in the frequency stated shall not nullify, void, limit or waive this policy or any action taken under this policy.
- D.     This policy is considered to be amended at the time any new federal or state law becomes effective which conflicts with this policy, but only to the extent necessary to come into compliance with new law.

### SECTION II.    **Purpose.**

- A.     This policy outlines the policy of the Board related to training of Directors.
- B.     The purpose of training Directors is to assure each member of the Board is in compliance with all required training, and to provide each Director the necessary knowledge and experience to perform their duties professionally and with fidelity.

### SECTION III.   **Authority.**

- A.     The Board has authority to adopt this policy under the UCIP Interlocal Agreement.

### SECTION IV.    **Applicability and Scope.**

- A.     This policy applies to all training provided by UCIP to members of the Board.
- B.     Training of Directors will include training provided during meetings of the Board as well as training provided at seminars, workshops and conferences.

### SECTION V.     **Definitions.**

- A.     "AGRIP" means the Association of Governmental Risk Pools.
- B.     "Board" means the UCIP Board of Directors.
- C.     "CEO" means the UCIP Chief Executive Officer.

- D. "Clerk" means the appointed Clerk of the Board.
- E. "Director" means a member of the UCIP Board of Directors.
- F. "OPMA" means Utah Open and Public Meeting Act.
- G. "PRIMA" Public Risk Management Association.
- H. "President" means the President of the UCIP Board of Directors.
- I. "UCIP" means the Utah Counties Indemnity Pool.

#### **SECTION VI. Policy Statements.**

- A. It is the policy of the Board to provide for training opportunities for Directors to assure compliance with training requirements under state or federal regulation and to provide Directors with the knowledge and experience necessary to perform their duties as a UCIP Director as effectively as possible and with fidelity.

#### **SECTION VII. Procedures and Responsibilities.**

- A. As the Board is a public body as defined by the ~~Utah Open and Public Meetings Act (OPMA)~~OPMA, the President is responsible to ~~see that~~provide each member of the Board ~~receive~~ training on the OPMA annually. ~~Each Director shall confirm with the Clerk each June that they have received training on the OPMA either by attending OPMA training at a Board meeting, attending OPMA training provided an entity for which they serve as an elected or appointed official, or completing the Utah Office of the State Auditor on-line OPMA training course.~~
- B. The CEO shall provide annual training on the fiduciary responsibilities of Directors to UCIP. The Clerk will see that each individual Director receives this training within one year of the time they are elected or appointed to the Board, and each term of office thereafter.
- C. Directors shall have the opportunity to receive training on governmental risk pooling and risk management through attendance at conferences held by ~~the Association of Governmental Risk Pools (AGRIP)~~AGRIP and/or ~~the Public Risk Management Association~~ PRIMA. Each Director may attend one conference annually and will be reimbursed the cost of attendance in accordance with the UCIP Expense Reimbursement Policy. Directors may request approval by the Board to attend more than one conference annually. The Board may approve reimbursement of all or a portion of expenses associated with approved attendance by an individual Director at more than one conference annually.

#### **SECTION VIII. Revision History.**

- A. Original Policy Adoption: February 16, 2017
- B. Revised: February 15, 2018
- C. Revised: June 21, 2019

#### **SECTION IX. Appendices.**

- A. There are no appendices to this policy.



## **UTAH COUNTIES INDEMNITY POOL GRAMA POLICY**

### **SECTION I. Effective Date and Frequency of Review.**

- A. This policy was originally adopted on February 16, 2017 and made effective on that date.
- B. This policy should be reviewed annually, but not less than every three years by the Board. This policy will also be reviewed any time that changes to laws or rules governing access to or management of records of interlocal agencies are amended in a manner which would require review and update to this policy.
- C. Failure to review this policy in the frequency stated shall not nullify, void, limit or waive this policy or any action taken under this policy.
- D. This policy is considered to be amended at the time any new federal or state law becomes effective which conflicts with this policy, but only to the extent necessary to come into compliance with new law.

### **SECTION II. Purpose.**

- A. This policy outlines the policies of the Board related to the classification, maintenance and release of records that are created or maintained by UCIP.

### **SECTION III. Authority.**

- A. The Board has authority to adopt this policy under the UCIP Interlocal Agreement.

### **SECTION IV. Applicability and Scope.**

- A. This policy applies to all records created, stored or maintained by UCIP.
- B. This policy applies to all requests for release of records received in accordance with the Utah Government Records Access Management Act.

### **SECTION V. Definitions.**

- A. "Board" means the UCIP Board of Directors.
- B. "CFO" means the UCIP Chief Financial Officer.
- C. "GRAMA" means the Utah Government Records Access Management Act.

### **SECTION VI. Policy Statements.**



- A. It is the policy of the Board to comply with the Utah Government Records and Access Management Act.

**SECTION VII. Procedures and Responsibilities.**

- A. The Records Officer, as required and defined by GRAMA, shall be the CFO.
- B. The Chief Administrative Officer, as required and defined by GRAMA, shall be the CEO.
- C. When fees for responding to a GRAMA request are appropriate and allowed under GRAMA, the following fee schedule will be used to determine the fee charged. Fees may be reduced or waived if recommended by the CFO and approved by the Board.

| <u>Position Required to Respond</u> | <u>Rate per hour</u>            | <u>Copying fee</u> |
|-------------------------------------|---------------------------------|--------------------|
| CFO/Records Officer                 | <del>\$59.97</del> <u>66.10</u> | \$0.25             |
| Operations Specialist               | <del>\$35.73</del> <u>41.00</u> | \$0.25             |

**SECTION VIII. Revision History.**

- A. Original Policy Adoption: February 16, 2017.
- B. Revised: April 19, 2018.
- C. Revised: June 21, 2019

**SECTION IX. Appendices.**

- A. There are no appendices to this policy.

## UTAH COUNTIES INDEMNITY POOL INVESTMENT POLICY

### SECTION I.     **Effective Date and Frequency of Review.**

- A.     The Board originally adopted an addendum to the UCIP Bylaws in May, 2003, which was created and maintained by the UICP Audit Committee, governing the investments of UCIP funds.
- B.     This policy shall be reviewed annually by the Board. This policy will also be reviewed any time that changes to laws or rules governing investments of a Utah interlocal agency are amended or recommendations are made by UCIP's Independent Auditors, CEO or CFO which would require review and update to this policy.
- C.     Failure to review this policy in the frequency stated shall not nullify, void, limit or waive this policy or any action taken under this policy.
- D.     This policy is considered to be amended at the time any new federal or state law becomes effective which conflicts with this policy, but only to the extent necessary to come into compliance with new law.

### SECTION II.    **Purpose.**

- A.     The purpose of this policy is to assure compliance with all state and federal laws and rules related to the investment of public funds in the state of Utah, including but not limited to the Utah Money Management Act.
- B.     It is further the purpose of this policy to assure all investments of UCIP funds are made in a prudent manner to protect such funds in the interest of the members of UCIP and taxpayers of the State of Utah.

### SECTION III.   **Authority.**

- A.     The Board has authority to adopt this policy under the UCIP Interlocal Agreement.

### SECTION IV.    **Applicability and Scope.**

- A.     This policy is applicable to all investment of UCIP financial assets. For purposes of this policy, Cash and Cash Equivalents, including funds deposited with the Public Treasurers Investment Fund, are not considered investments.
- B.     The financial assets of UCIP shall be accounted for in the Annual Financial Report of UCIP.

## **SECTION V. Definitions.**

- A. "Audit Committee" means the Audit Committee of the Board.
- B. "Board" means the UCIP Board of Directors.
- C. "CEO" means the UCIP Chief Executive Officer.
- D. "CFO" means the UCIP Chief Financial Officer.
- E. "President" means the President of the Board.
- F. "Secretary/Treasurer" means the Secretary/Treasurer of the Board.
- G. "Vice President" means the Vice President of the Board.

## **SECTION VI. Policy Statements.**

- A. It is the policy of the Board to invest funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demand of UCIP and conforming to all federal, state and local laws governing the investment of public funds.

## **SECTION VII. Procedures and Responsibilities.**

- A. Prudence - Investments shall be made with judgement and care, under the circumstances then prevailing, which persons of prudence, discretion and intelligence exercise ~~+~~in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

- 1. The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

- 2. Prohibited practices shall include, but not be exclusive to churning, unnecessary transactions and rebating.

- B. Objective – The following objectives shall be in all investment activity:

- 1. Safety – Safety of principle is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification will be



utilized so potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

2. Liquidity – The investment portfolio will remain sufficiently liquid to enable UCIP to meet all operating requirements which might reasonable be anticipated and documented in the UCIP Annual Operating Budget.
3. Return on Investments – The investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow characteristics of the portfolio.

C. Delegation of Authority – The Board’s authority to manage the investment program is derived from the UCIP Interlocal Agreement and is delegated by the Board under the UCIP Bylaws and this policy.

1. The Audit Committee is charged with making recommendations to the Board of the financial affairs of UCIP and may designate appropriate staff to develop written procedures for the operation of the investment program consistent with this investment policy. Procedures will include reference to:
  - a. Safekeeping;
  - b. PSA Repurchase Agreements;
  - c. Wire Transfer Agreements;
  - d. Banking Service Contracts, including the establishment of a Custodial Bank Agreement;
  - e. Collateral/Depository Agreements; and
  - f. Investment Advisor Selection and Evaluation.
2. It is the responsibility of the Chair of the Audit Committee, or their designee, to report to the Board all decisions and action taken by the Audit Committee.
3. No person may engage in an investment transaction except as provided under the terms of this policy and procedures established by the Audit Committee. The CFO, under the supervision of the CEO, shall be responsible for daily transactions. More specifically, no funds shall be transferred out of or between the separate accounts at any time, for any reason, without the signature, to approve the transfers, of the CFO and CEO or one of the following, the President, the Vice President or the Secretary/Treasurer. The authorization of the Board officers may be via electronic mail or ~~fax~~facsimile transmittal. All transfers will be submitted for ratification to the Board at the next Board meeting.

4. The Audit Committee may choose to select an Investment Advisor to manage the investment of assets. Those assets would include funds not required by cash flow projections to meet the immediate needs of UCIP. In the event that the Audit Committee decides to select an Investment Advisor, such selection may be made through a formal Request for Qualifications/Request for Proposal process, or, by recommendation of the Audit Committee and CEO and approval of the Board, the CEO may negotiate directly with an Investment Advisor and make recommendation to the Audit Committee and Board to enter into an agreement with an Investment Advisor. Investment Advisors must be certified by the Utah Management Council. The Investment Advisor would be charged with the following responsibilities:

- a. Adopting an investment philosophy which is compatible with the policies of UCIP as set forth in Paragraph A. above;
- b. Selecting appropriate investment instruments to implement the designated philosophy;
- c. Selecting broker/dealers for the purpose of executing investment trades, who meet the requirements set forth in Paragraph E below;
- d. Executing trades at market prices most advantageous to UCIP;
- e. Reporting on a regular basis to the Audit Committee on the performance of assets under management as set forth in Paragraph L below;
- f. Reporting to the Audit Committee in a timely manner, any material changes in the financial or staffing conditions of the management firm.

D. Ethics and Conflict of Interest – Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the Audit Committee, any material financial interests in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to the performance of funds, particularly with regard to the time of purchases and sales.

E. Authorized Financial Dealers and Institutions – The Investment Advisor shall maintain a list of financial institutions desiring and authorized to provide investment services. In addition, a list will also be maintained of approved security broker/dealers selected by credit worthiness who are authorized to provide investment services in the State of Utah. Broker/dealers must be certified by the Utah Money Management Council. Funds shall be deposited only in a qualified public depository as certified by the Utah Money Management Council.

- F. Authorized and Suitable Investments – UCIP has resolved that its investments be limited to those securities authorized by U.C.A. §51-7-11, 1953 as amended, as that Section pertains to the investment of funds.
- G. Collateralization – Collateralization will be required on two types of investments; certificates of deposit and repurchase agreements and will also be required on checking accounts if there is a balance of over \$100,000 therein. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be one hundred two (102) percent of market value of principal and accrued interest. State law rules for collateralization will be adhered to. Collateral will always be held by an independent third party with whom the entity has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the entity retained.
- H. Safekeeping and Custody – All security transactions, including collateral for repurchase agreements, entered into by UCIP shall be conducted on a delivery-versus-payment (DVP) basis. Securities shall be held by a third-party custodian designated by the Audit Committee and evidenced by safekeeping receipts.
- I. Diversification – UCIP will diversify its investments by security type and institution to the degree that such diversification is permitted. Investment in commercial paper, corporate bonds and asset-backed obligations shall not exceed 20 percent of the total assets of UCIP's investments.
- J. Maximum Maturities – To the extent possible, UCIP will attempt to match its investments with anticipated cash flow requirements as determined by the Audit Committee. For funds not specifically matched to cash flow, UCIP will invest in securities not exceeding the terms to maturity as set out in U.C.A. §51-7-11, 1953 as amended. For funds not specifically matched to cash flow, UCIP will invest in securities not exceeding the terms to maturity as set out in U.C.A. §51-7-11, 1953 as amended.
- K. Performance Standards – The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs of UCIP. As ~~UCIP~~UCIP's investment strategy is restricted by U.C.A. §51-7-11, 1953 as amended, the benchmark used by the Audit Committee to determine whether market yields are being achieved shall be the Utah Public Treasurers Investment Fund or other appropriate index as designated annually by the Audit Committee.
- L. Reporting – The CFO is charged with the responsibility of providing a market report on investment activity and returns on a regular basis to the Audit Committee and to the Board on at least an annual basis. This responsibility may be delegated to ~~an the~~ Investment Advisor ~~if one is~~ utilized by UCIP. Reports to the Audit Committee will include, but not be limited to:

- | 1. Performance;
- | 2. Volatility (as measured by effective duration);
- | 3. Interest earnings;
- | 4. Number of trades;
- | 5. Average maturity;
- | 6. Market sector breakdown.

**SECTION VIII. Revision History.**

- A. Original Adoption: May, 2003
- B. Revised: February 16, 2017
- C. Revised: February 15, 2018
- | D. Revised: June 21, 2018

**SECTION IX. Appendices.**

- A. There are no appendices to this policy.

**UTAH COUNTIES INDEMNITY POOL  
MINUTES, RECORDINGS AND RECORDS OF MEETINGS POLICY**

**SECTION I. Effective Date and Frequency of Review.**

- A. The Board originally adopted the Written Minutes of Open Meetings – Public Records – Recordings of Meetings Policy on April 20, 2017.
- B. This policy should be reviewed annually, but not less than every three years by the Board. This policy will also be reviewed any time that changes to laws or rules governing the minutes, recordings or records of interlocal agencies are amended in a manner which would require review and update to this policy.
- C. Failure to review this policy in the frequency stated shall not nullify, void, limit or waive this policy or any action taken under this policy.
- D. This policy is considered to be amended at the time any new federal or state law becomes effective which conflicts with this policy, but only to the extent necessary to come into compliance with new law.

**SECTION II. Purpose.**

- A. This policy outlines the policies and procedures of the Board related to written minutes, recordings and public records related to open public meetings of UCIP.

**SECTION III. Authority.**

- A. The Board has authority to adopt this policy under the UCIP Interlocal Agreement.

**SECTION IV. Applicability and Scope.**

- A. This policy applies to all “meetings” of UCIP when acting as a “public body” as defined by OPMA.

**SECTION V. Definitions.**

- A. “Board” means the UCIP Board of Directors.
- B. “OPMA” means the Utah Open and Public Meetings Act.
- C. “Recording” means electronic audio recording of meetings.



## **SECTION VI. Policy Statements.**

- A. It is the policy of the Board to comply with state law regarding written minutes, recordings and public records related to open public meetings.

## **SECTION VII. Procedures and Responsibilities.**

- A. Within three business days after holding an open meeting, an audio recording of the open meeting will be available to the public for listening.
- B. Pending minutes will be available to the public within a reasonable time after holding the open meeting that is the subject of the pending minutes.
- C. Pending minutes will be submitted to the UCIP Board at their next meeting by the Secretary/Treasurer of the Board for changes, additions and approval by majority vote.
- D. Minutes approved by the Board will be presented to the Chair of the Board for signature. Once approved by the Board and signed by the Chair of the Board, those minutes will be the official record of the open meeting that is the subject of the approved minutes.
- E. Within three business days after approving written minutes, the approved minutes and any materials made available to the public at the meeting will be available to the public, and will be placed on both the State Public Notice website, and the UCIP website.
- F. Written minutes or recordings of the open meetings will be maintained in accordance with the UCIP Records Retention Policy.

## **SECTION VIII. Revision History.**

- A. Original Policy Adoption: April 20, 2017
- B. Revised: April 19, 2018
- C. Revised: June 21, 2019

## **SECTION IX. Appendices.**

- A. There are no appendices to this policy.

**OPTION ONE**

**UTAH COUNTIES INDEMNITY POOL  
PERSONAL USE OF PUBLIC PROPERTY POLICY**

**SECTION I. Effective Date and Frequency of Review.**

- A. The effective date of this policy is June 21, 2019.
- B. This policy should be reviewed annually, but not less than every three years by the Board. This policy will also be reviewed any time that changes to laws or rules governing personal use of public property of interlocal agencies are amended in a manner which would require review and update to this policy.

**SECTION II. Purpose.**

- A. This policy is meant to assure responsible use of Public Property and control excessive or unlawful use of Public Property by Public Servants.
- B. This policy provides Public Servants guidance as to authorized personal use of Public Property to avoid unintentional violations of U.C.A. §76-8-402, §76-8-404 and §67-16-4(1)(c).

**SECTION III. Authority.**

- A. The Board has authority to implement this policy under the UCIP Interlocal Agreement and Bylaws.

**SECTION IV. Applicability and Scope.**

- A. This policy applies to all use of all Public Property as defined herein.
- B. This policy supersedes and replaces all other UCIP policies related to the personal use of Public Property.

**SECTION V. Definitions.**

- A. "Board" means the Board of Directors of the Utah Counties Indemnity Pool.
- B. "De minimis" means a nominal value of less than \$100.00 but does not include value of damage to the Public Property when used by the Public Servant for personal use when the Public Servant timely reimburses UCIP for such damage.
- C. "Incidental" has the meaning defined in the Policy Statements Section of this policy. Any use identified as incidental under this policy which is not considered incidental under U.C.A. §76-8-402 or U.C.A. §67-16-4(1)(c) is an authorized use under this policy.

## OPTION ONE

- D. "Members" means the members, individually or collectively, of UCIP as identified in its governing documents.
- E. "Pool" means the Utah Counties Indemnity Pool.
- F. "Public Property" means any real or personal property other than money, funds or accounts owned, leased or rented by UCIP, until such time as the property has been surplused, including when such property is provided to an independent contractor of UCIP for the purpose of providing a program or service for, or on behalf of, UCIP and/or its Members. "Public Property" does not include real or personal property owned, leased or rented by a Public Servant used in whole or in part by the Public Servant to perform their duties as a Public Servant, regardless of any reimbursement, allowance, stipend, per diem or payment made by UCIP in recognition of use of the Public Servant's property benefiting UCIP.
- G. "Public Servant" means all Directors, Officers, employees and independent contractors of UCIP.
- H. "UCIP" means the Utah Counties Indemnity Pool.

## SECTION VI. Policy Statements.

- A. The Board means for this policy to constitute a "written policy of the public servant's entity" for purposes of U.C.A. §76-8-402(1)(b)(iii).
- B. The Board means to restrict unreasonable personal use of Public Property by Public Servants.
- C. The Board considers that the penalty under U.C.A. §76-8-402 of a felony for any level of unauthorized personal use of Public Property is extreme and therefore the Board means to protect its Public Servants from unintentionally violating U.C.A. §76-8-402 and/or U.C.A. §67-16-4(1)(c).
- D. The Board recognizes as an employer competing for competent employees in the marketplace, that it must consider, in part, property provided to employees by employers in the competing marketplace and the limitations that other employers place on personal use of such property.
- E. All Incidental personal use of Public Property by a Public Servant is authorized under U.C.A. §76-8-402 and is further authorized under this policy. Incidental personal use includes, but is not limited to:
  - 1. Use of Public Property for limited use of a personal nature when the individual is using the Public Property to perform their duties of office, employment or service under contract;



## OPTION ONE

2. Use of Public Property of a personal nature when such use of the Public Property:
  - a. Is available to the general public;
  - b. Does not create more than a de minimis cost to UCIP;
  - c. Is provided or required to be provided to the Public Servant as an employee benefit or convenience, such as lunchroom, fitness and nursing room facilities;
  - d. Is not clearly prohibited by this policy, and the Public Servant timely reimburses the cost of the personal use to UCIP; or
  - e. Is accidental or unintentional and the Public Servant timely reimburses the cost of the personal use to UCIP.
- F. Personal use of Public Property by a Public Servant is authorized under this policy when such use:
  1. Provides a benefit to UCIP or its Members as determined by the Board, including but not limited to:
    - a. Use of rental vehicles of a personal nature when the vehicle is rented for approved UCIP business if:
      - (i) The value of the personal use is de minimis;
      - (ii) When the personal use is not de minimis but the employee reimburses UCIP for the cost of the personal use of the rental vehicle at a rate determined by UCIP.
    - b. Provides the Public Servant with training and familiarity with the Public Property which will allow them to be more proficient with its use to perform their public duties;
    - c. Provides support of other agencies or community organizations which promotes good will between those agencies or community organizations and UCIP, including use of Public Property for secondary employment with such agency or community organization if the secondary employment has been authorized by the CEO or Board.
- G. The Board specifically prohibits use of Public Property:
  1. That substantially interferes with the use of the Public Property to perform duties of office, employment or service under contract, as determined by the Board of Directors, is prohibited;

## **OPTION ONE**

2. For private financial gain which provides no benefit to UCIP; and
  3. For an unlawful purpose.
- H. Employees do not have a right to nor should they have an expectation of privacy while using government resources at any time, including when they are accessing the internet, using email, instant messaging or using telephones.
- I. The CFO, CEO and Board of Directors are authorized to allow personal use of Public Property which is not clearly prohibited by this policy.

### **SECTION IV. Procedures and Responsibilities.**

- A. The CFO shall notify a Public Servant of the cost to be reimbursed to UCIP for personal use of Public Property, which was not clearly prohibited by this policy, was accidental or unintentional or due to damage to Public Property during personal use of the public Property by the Public Servant.
- B. The Public Servant shall timely reimburse UCIP the amounts determined by the CFO under this section or contest the amount of the reimbursement to the CEO within 5 business days of notice from the CFO.
- C. The CEO shall within 5 business days of receipt of a notice to contest the amount of reimbursement provide the Public Servant and the CFO a decision regarding the amount of reimbursement. If the Public Servant does not agree with the decision of the CEO of the amount of reimbursement for personal use of Public Property, the Public Servant shall request an appeal of the CEO's decision to the UCIP Board of Directors within 5 business days of receipt of the CEO's decision.
- D. The CEO shall investigate any suspected violation of this policy and shall provide written notification to a Public Servant and the Board of Directors of a finding of a violation within 5 business days of a finding of such violation by the CEO. If the Public Servant does not agree with the finding of a violation by the CEO, they must request an appeal to the Board of Directors within 5 business days of the CEO's notice of violation.
- E. The Board of Directors shall consider a requested appeal under this policy at their next scheduled meeting and provide the Public Servant and the CEO their final decision on the amount of reimbursement within 10 business days of that meeting.

### **SECTION V. Revision History.**

- A. Adopted:
- B. Revised:

### **SECTION VI. Appendices.**

- A. There are no appendices to this Policy

## **OPTION TWO**

### **UTAH COUNTIES INDEMNITY POOL PERSONAL USE OF PUBLIC PROPERTY POLICY**

#### **SECTION I. Effective Date and Frequency of Review.**

- A. The effective date of this policy is June 21, 2019.
- B. This policy should be reviewed annually, but not less than every three years by the Board. This policy will also be reviewed any time that changes to laws or rules governing personal use of public property of interlocal agencies are amended in a manner which would require review and update to this policy.

#### **SECTION II. Purpose.**

- A. This policy is meant to assure responsible use of Public Property and control excessive or unlawful use of Public Property by Public Servants.
- B. This policy provides Public Servants guidance as to authorized personal use of Public Property to avoid unintentional violations of U.C.A. §76-8-402, §76-8-404 and §67-16-4(1)(c).

#### **SECTION III. Authority.**

- A. The Board has authority to implement this policy under the UCIP Interlocal Agreement and Bylaws.

#### **SECTION IV. Applicability and Scope.**

- A. This policy applies to all use of all Public Property as defined herein.
- B. This policy supersedes and replaces all other UCIP policies related to the personal use of Public Property.

#### **SECTION V. Definitions.**

- A. "Board" means the Board of Directors of the Utah Counties Indemnity Pool.
- B. "De minimis" means a nominal value of less than \$100.00 but does not include value of damage to the Public Property when used by the Public Servant for personal use when the Public Servant timely reimburses UCIP for such damage.
- C. "Incidental" has the meaning defined in the Policy Statements Section of this policy. Any use identified as incidental under this policy which is not considered incidental under U.C.A. §76-8-402 or U.C.A. §67-16-4(1)(c) is an authorized use under this policy.



## OPTION TWO

- D. "Members" means the members, individually or collectively, of UCIP as identified in its governing documents.
- E. "Pool" means the Utah Counties Indemnity Pool.
- F. "Public Property" means any real or personal property other than money, funds or accounts owned, leased or rented by UCIP, until such time as the property has been surplused, including when such property is provided to an independent contractor of UCIP for the purpose of providing a program or service for, or on behalf of, UCIP and/or its Members. "Public Property" does not include real or personal property owned, leased or rented by a Public Servant used in whole or in part by the Public Servant to perform their duties as a Public Servant, regardless of any reimbursement, allowance, stipend, per diem or payment made by UCIP in recognition of use of the Public Servant's property benefiting UCIP.
- G. "Public Servant" means all Directors, Officers, employees and independent contractors of UCIP.
- H. "UCIP" means the Utah Counties Indemnity Pool.

### SECTION VI. Policy Statements.

- A. The Board means for this policy to constitute a "written policy of the public servant's entity" for purposes of U.C.A. §76-8-402(1)(b)(iii).
- B. The Board means to restrict unreasonable personal use of Public Property by Public Servants.
- C. The Board considers that the penalty under U.C.A. §76-8-402 of a felony for any level of unauthorized personal use of Public Property as extreme and therefore the Board means to protect its Public Servants from unintentionally violating U.C.A. §76-8-402 and/or U.C.A. §67-16-4(1)(c).
- D. The Board recognizes as an employer competing for competent employees in the marketplace, that it must consider, in part, property provided to employees by employers in the competing marketplace and the limitations that other employers place on personal use of such property.
- E. The Board means to broadly authorize all personal use of Public Property by Public Servants with a procedure to limit personal use only after providing written notice.
- F. The Board specifically prohibits personal use of Public Property:
  - 1. That substantially interferes with the use of the Public Property to perform duties of office, employment or service under contract, as determined by the Board of Directors;

## OPTION TWO

2. For private financial gain which provides no benefit to UCIP; or
  3. For an unlawful purpose.
- G. Except for use specifically prohibited in Paragraph F of this Section of this Policy, the only personal use of Public Property considered to be unauthorized or prohibited is personal use which occurs after the Public Servant has received a written notice that the use is unauthorized or prohibited if the Public Servant does not appeal the written notice, or which occurs after the Public Servant receives a written decision from the Board of Directors finding that the personal use will be considered unauthorized or prohibited.
- H. The Board means to provide broad discretion to the CEO, CFO and members of the Board of Directors in authorizing personal use of Public Property by Public Servants under their supervision or control.
- I. The Board recognizes that all Incidental personal use of Public Property by a Public Servant is authorized under U.C.A. §76-8-402 and further authorizes all Incidental personal use under this policy. The Board considers Incidental personal use to include:
1. Use of Public Property for limited use of a personal nature when the individual is using the Public Property to perform their duties of office, employment or service under contract;
  2. Use of Public Property of a personal nature when such use of the Public Property:
    - a. Is available to the general public;
    - b. Does not create more than a de minimis cost to UCIP;
    - c. Is provided or required to be provided to the Public Servant as an employee benefit or convenience, such as lunchroom and nursing room facilities;
    - d. Is not clearly prohibited by this policy, and the Public Servant timely reimburses the cost of the personal use to UCIP; or
    - e. Is accidental or unintentional and the Public Servant timely reimburses the cost of the personal use to UCIP.
- J. Employees do not have a right to nor should they have an expectation of privacy while using government resources at any time, including when they are accessing the internet, using email, instant messaging or using telephones.
- K. A Public Servant is authorized to allow use of Public Property of a personal nature which is not clearly prohibited by this policy.

## OPTION TWO

### SECTION IV. Procedures and Responsibilities.

- A. If a supervisor, CFO, CEO or Board of Directors believes that a Public Servant is using Public Property in a manner that is not incidental or should not be authorized, they shall give the Public Servant a written notice that specifically informs the Public Servant that the personal use is not considered incidental and will not be considered authorized as of the date of the written notice, or as of the date of a final written determination by the Board of an appeal of the written notice.
- B. In determining if personal use should be authorized, a supervisor, CFO, CEO or Board of Directors shall consider whether the personal use of Public Property:
  - 1. Substantially interferes with the use of the Public Property to perform duties of office, employment or service under contract;
  - 2. Creates only a de minimis cost to UCIP;
  - 3. Creates more than a de minimis cost to UCIP but provides a benefit to UCIP or its Members as determined by the Board;
  - 4. Creates more than a de minimis cost to UCIP but the employee reimburses UCIP for the cost of the personal use of the Public Property at a rate determined by UCIP.
  - 5. Provides the Public Servant with training and familiarity with the Public Property which will allow them to be more proficient with its use to perform their public duties;
  - 6. Provides support of other agencies or community organizations which promotes good will between those agencies or community organizations and UCIP.
  - 7. Provides any reasonably arguable benefit to UCIP.
- C. A Public Servant may appeal a written notice provided under this Section to the Board of Directors if they believe their personal use of Public Policy should be authorized by providing a written request for appeal of the written notice within five business days of receipt of the written notice. The Board shall hear either in writing or in person the person who issued the written notice and the Public Servant, and make a decision on whether the personal use of the Public Property will be authorized or prohibited. The Board of Directors shall inform the CEO and the Public Servant of their decision within 10 days of their decision.
- D. The CFO shall notify a Public Servant of the cost to be reimbursed to UCIP for personal use of Public Property, which was not clearly prohibited by this policy, was accidental or unintentional or due to damage to Public property during personal use of the public Property by the Public Servant.



## OPTION TWO

- E. The Public Servant shall timely reimburse UCIP the amounts determined by the CFO under this section or contest the amount of the reimbursement to the CEO within five business days of notice from the CFO. The CFO shall within 5 business days of receipt of such notice to contest the amount of reimbursement provide the Public Servant and the CFO a decision regarding the amount of reimbursement.
- F. If the Public Servant does not agree with the decision of the CEO of the amount of reimbursement for personal use of Public Property, the Public Servant shall request an appeal of the CEO's decision to the UCIP Board of Directors within 5 business days of receipt of the CEO's decision. The Board of Directors shall consider the requested appeal at their next scheduled meeting and provide the Public Servant their final decision on the amount of reimbursement within 10 business days of that meeting.
- G. The CEO shall investigate any suspected violation of this policy and shall report any prohibited or unauthorized personal use of Public Property to the Board within 60 days of a determination of such violation.

### **SECTION V. Revision History.**

- A. Adopted:
- B. Revised:

### **SECTION VI. Appendices.**

- A. There are no appendices to this Policy



## UTAH COUNTIES INDEMNITY POOL PURCHASING POLICY

### SECTION I.     Effective Date and Frequency of Review.

- A.     The Board originally adopted the Purchasing Policy on August 18, 2016.
- B.     This policy should be reviewed annually, but not less than every three years by the Board. This policy will also be reviewed any time that changes to laws or rules governing the purchasing practices of interlocal agencies are amended in a manner which would require review and update to this policy.
- C.     Failure to review this policy in the frequency stated shall not nullify, void, limit or waive this policy or any action taken under this policy.
- D.     This policy is considered to be amended at the time any new federal or state law becomes effective which conflicts with this policy, but only to the extent necessary to come into compliance with new law.

### SECTION II.    Purpose.

- A.     This policy outlines the policy of the Board related to purchases made using UCIP funds.
- B.     The underlying purposes of this policy are to:
  - 1.     Ensure fair and equitable treatment of all persons who wish to or do conduct business with UCIP.
  - 2.     Provide for the greatest possible economy in UCIP's procurement activities.
  - 3.     Foster effective, broad-based competition within the free enterprise system to ensure that UCIP will receive the best possible services or products at the lowest possible prices.

### SECTION III.   Authority.

- A.     The Board has the authority to adopt and amend this policy under the UCIP Interlocal Agreement.

### SECTION IV.    Applicability and Scope.

- A.     This policy applies to all purchases made using UCIP funds.
- B.     This policy shall not prevent UCIP from complying with the terms and conditions of any grant, gift, or bequest that is otherwise consistent with law.

- C. When procurement involves the expenditure of federal assistance funds, UCIP shall comply with applicable federal law and regulations.

**SECTION V. Definitions.**

- A. "Board" means the UCIP Board of Directors.
- B. "Business" means any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other private legal entity.
- C. ~~"Change Order" means a written order signed by the purchasing agent, directing the contractor to suspend work or make changes, which the appropriate clauses of the contract authorize the purchasing agent to order without the consent of the contractor or any written alteration in specifications, delivery point, rate of delivery, period of performance, price, quantity, or other provisions of any contract accomplished by mutual action of the parties to the contract.~~
- D. "CEO" means the UCIP Chief Executive Officer.
- E. "CFO" means the UCIP Chief Financial Officer.
- F. "Contract" means any agreement entered into by UCIP for the procurement or disposal of supplies, services, or construction, but shall not mean any policy of insurance, excess insurance or reinsurance, bond, surety or other risk financing instrument.
- G. "Invitation for bids" means all documents, whether attached or incorporated by reference, used for soliciting bids.
- H. "Person" means any business, individual, union, committee, club, other organization, or group of individuals.
- I. "Professional services" means labor, effort or work that requires an elevated degree of specialized knowledge and discretion, including accounting, architecture, construction and design management, engineering, financial services, information technology, insurance brokerage, legal, medical, or underwriting.
- J. "Procurement" means buying, purchasing, renting, leasing, leasing with an option to purchase, or otherwise acquiring any supplies, services, or construction.
- K. "Purchasing Agent" means the CEO or other person duly authorized by the Board to enter into and administer contracts and make written determinations with respect thereto.

- L. "Purchase description" means the words used in a solicitation to describe the supplies, services, or construction to be purchased, and includes specifications attached to or made a part of the solicitation.
- M. "Request for Proposals" or "RFP" means all documents, whether attached or incorporated by reference, used for soliciting proposals.
- N. "Request for Qualifications" or "RFQ" means a document used to solicit information about the qualifications of a person interested in providing services including all other documents attached to that document or incorporated in that document by reference.

**SECTION VI. Policy Statements.**

- A. All purchases and procurements shall be conducted under the procedures outlined in this policy in a fair and equitable manner.
- B. All purchases and procurements shall be made in a manner providing UCIP the most advantageous terms, conditions, cost and quality of products or services.

**SECTION VII. Procedures and Responsibilities.**

- A. The CEO shall act in the capacity of Purchasing Agent. The Purchasing Agent shall be responsible to make procurements, solicit bids and proposals, enter into and administer contracts, and make written determinations under this policy. The Purchasing Agent may delegate purchasing authority to the CFO at their discretion.
- B. The following purchases shall not require use of a bidding process:
  - 1. Purchases costing less than \$5,000 in total shall not require bids of any type;
  - 2. Purchases costing more than \$5,000 but less than \$10,000 in total, shall require at least three telephone bids, but shall not require any other type of bid;
  - 3. Purchases under paragraphs 1 and 2 shall not be artificially divided so as to constitute a small purchase;
  - 4. Purchases made through the cooperative purchasing contracts administered by the State Division of Purchasing;
  - 5. Purchases made from a single-source provider as determined by the Purchasing Agent;
  - 6. Purchase of professional services;



7. Purchase of services if the Purchasing Agent opines in writing to the Board that the services are of such a nature, or require being provided in such a nature, as to be best provided by a specific source; or
8. Purchases required during an emergency, i.e., an eminent threat to the public's health, welfare or safety. However, as much competition as practical should be obtained and such purchases should be limited to amounts necessary to the resolution of the emergency.

C. All purchases not exempted from the bidding process under paragraphs B,D or E shall be subject to bidding procedures as follows:

1. Contracts shall be awarded by competitive sealed bidding except as otherwise provided by this policy;
2. An invitation for bids shall be issued when a contract is to be awarded by competitive sealed bidding. The invitation shall include a purchase description and all contractual terms and conditions applicable to the procurement. Public notice of the invitation for bids shall be given at least 30 days prior to the date set forth therein for the opening of bids. The notice may include publication in a newspaper of general circulation.
3. Any procurement by sealed bid in excess of \$10,000 shall require a legal notice in a local newspaper of general circulation.
4. Bids shall be opened publicly in the presence of one or more witnesses at the time and place designated in the invitation for bids. The amount of each bid and any other relevant information, together with the name of each bidder, shall be recorded. The record and each bid shall be open to public inspection.
5. Bids shall be unconditionally accepted without alteration or correction, except as authorized in this policy. Bids shall be evaluated based on the requirements set forth in the invitation for bids.
6. Correction or withdrawal of inadvertently erroneous bids before or after award, or cancellation of awards or contracts based on such bid mistakes, shall be permitted. After bid opening no changes in bid prices or other provisions of bids prejudicial to the interest of UCIP or fair competition shall be permitted. All decisions to permit the correction or withdrawal of bids or to cancel awards or contracts based on bid mistakes shall be supported by a written determination made by the Purchasing Agent.
7. The contract shall be awarded with reasonable promptness, by written notice, to the lowest bidder whose bid meets the requirements and criteria set forth in the invitation for bids as determined and approved by the Board.



- D. When the Purchasing Agent determines in writing that the use of competitive bidding is either not practicable or not advantageous to UCIP, a contract may be entered into using a competitive proposal process described herein. The competitive proposal process is most appropriately used for professional service type contracts. The following procedures shall be used in the competitive proposal process:
1. Proposals shall be solicited through a Request for Proposals (RFP). Public notice of the RFP shall be given at least 30 days prior to the advertised date of the opening of the proposals.
  2. Proposals shall be opened so as to avoid disclosure of contents to competing offerors during the process of evaluation and negotiation. A register of proposals shall be prepared and shall be open for public inspection after contract award.
  3. The RFP shall state the relative importance of price and other evaluating factors.
  4. Evaluation of proposals shall be conducted by a committee of at least two persons, one of whom shall be the Purchasing Agent, as appointed by the Board.
  5. Offerors shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals, and revisions may be permitted after submissions and prior to award for the purpose of obtaining best and final offers. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing offerors, except to the extent required by law.
  6. Award shall be made to the person whose proposal is determined, in writing, to be most advantageous to UCIP, taking into consideration price and the evaluation factors set forth in the RFP. The contract file shall contain the basis on which the award is made.
- E. When the Purchasing Agent determines in writing that the services to be contracted for are a qualification-based procurement, a contract may be entered into using a Request for Qualifications process described herein. The qualification-based process is most appropriately used for professional services of Brokers or Architect-Engineering services. The following procedures shall be used in the qualification-based process:
1. Qualification-based services should be solicited through a Request for Qualifications (RFQ).
  2. RFQ's should be publicly announced.
  3. Contracts should be negotiated by UCIP based on demonstrated competence at fair and reasonable prices.

- F. When the Purchasing Agent determines it is in the best interest of UCIP to use the competitive RFP process under paragraph D, or the competitive RFQ process under paragraph E, the Purchasing Agent shall notify the Board of such determination before initiating the process. The Board may create an ad-hoc committee to assist the Purchasing Agent in the process of developing, analyzing and making recommendation to the Board regarding such RFP or RFQ.
- G. Determination of non-responsiveness of a bidder or offeror shall be made in writing. The unreasonable failure of a bidder or offeror to promptly supply information in connection with an inquiry with respect to responsiveness may be grounds for a determination of non-responsiveness with respect to the bidder or offeror.
- H. An invitation for bids, a request for proposals, a request for qualification, or other solicitation may be canceled, or any or all bids or proposals may be rejected, in whole or in part, as may be specified in the solicitation, when it is in the best interests of UCIP. The reasons shall be made a part of the contract file.
- I. Any type of contract which will promote the best interests of UCIP may be used, provided that the use of a cost-plus-a-percentage-of-cost contract is prohibited. A cost-reimbursement contract may be used only when a determination is made in writing that such contract is likely to be less costly to UCIP than any other type or that it is impracticable to obtain the supplies, services or construction required except under such a contract.
- J. The following contractual clauses shall be included in all contracts unless an engagement letter is used for professional services, or exception is made by the Board:
  - 1. The unilateral right of UCIP to order, in writing, changes in the work within the scope of the contract and changes in the time of performance of the contract that do not alter the scope of the contract work.
  - 2. Variations occurring between estimated quantities of work in a contract and actual quantities
  - 3. Suspension of work ordered by UCIP.
- K. All specifications or descriptions of services shall seek to promote overall economy and best use for the purposes intended, and encourage competition in satisfying UCIP's needs, and shall not be unduly restrictive. Where practical and reasonable, and within the scope of Utah law, Utah products shall be given preference.
- L. Any actual or prospective bidder, offeror, or contractor who is aggrieved in connection with the solicitation or award of a contract may appeal their grievance in the following manner:

1. An aggrieved bidder, offeror or contractor shall submit an appeal with the Purchasing Agent in writing within 5 working days after the aggrieved person knows or should have known of the facts.
  2. The Purchasing Agent shall promptly issue a written decision regarding any grievance, if it is not settled by mutual agreement. The decision shall state that reasons for the action taken and inform the appellant of the right to appeal to the Board.
  3. The appellant shall submit a request for appeal of the Purchasing Agent's decision in writing to the Purchasing Agent within 5 working days of the date of the Purchasing Agent's decision.
  4. The Purchasing Agent shall promptly provide the Board with the request for appeal, along with all relevant information, including the Purchasing Agent's written decision.
  5. The Board shall consider the appeal and shall provide the appellant with a written decision.
  6. The Board shall be the final appeal.
- M. No person involved in making a procurement decision on behalf of UCIP may have personal investments in any business entity which will create a substantial conflict between their private interests and their public duties.
- N. Any person involved in making procurement decisions on behalf of UCIP is subject to discipline up to and including termination if the person asks, receives, or offers to receive any emolument, gratuity, contribution, loan, or reward, or any promise thereof, either for the person's own use or the use or benefit of any other person or organization from any person or organization interested in selling to UCIP.

#### **SECTION VIII. Revision History.**

- A. Original Policy Adoption: August 18, 2016
- B. Revised: April 19, 2018
- C. Revised: June 21, 2019

#### **SECTION VIII. Appendices.**

- A. There are no appendices to this policy.



## **UTAH COUNTIES INDEMNITY POOL RECORDS RETENTION POLICY**

### **SECTION I. Effective Date and Frequency of Review.**

- A. The Board originally adopted the Records Retention Policy on September 23, 2005.
- B. This policy should be reviewed annually, but not less than every three years by the Board of Directors. This policy will also be reviewed any time that changes to laws or rules governing the scheduling of records of a Utah Interlocal Agency are amended or recommendations are made by the UCIP CEO or CFO, which would require review and update to this policy.
- C. Failure to review this policy in the frequency stated shall not nullify, void, limit or waive this policy or any action taken under this policy.
- D. This policy is considered to be amended at the time any new federal or state law becomes effective which conflicts with this policy, but only to the extent necessary to come into compliance with new law.

### **SECTION II. Purpose.**

- A. The purpose of this policy is to assure compliance with all state laws and rules that document the existence of records, the length of time the records must be maintained, and their final disposition—either destruction or permanent transfer to the State Archives' custody.

### **SECTION III. Authority.**

- A. The Board has authority to adopt this policy under the UCIP Interlocal Agreement.

### **SECTION IV. Applicability and Scope.**

- A. The PRMA mandates state ownership of government records and requires their effective management and care.
- B. The PRMA establishes the record keeping responsibilities of governmental entities.
- C. This policy is applicable to all UCIP agency-specific records approved by the State Records Committee.

### **SECTION V. Definitions.**

- A. "Board" means the Board of Directors of the Utah Counties Indemnity Pool.

- B. "CAO" means Chief Administrative Officer, a senior executive, designated by the Board to ensure that a sound records management program is implemented throughout the Pool.
- C. "Pool" means the Utah Counties Indemnity Pool.
- D. "PRMA" means the Public Records Management Act.
- E. "Record" means a book, letter, document, paper, map, plan, photograph, film, card, tape, recording, electronic data, or other documentary material regardless of physical form or characteristics that is prepared, owned, received, or retained by a governmental entity or political subdivision; and where all of the information in the original is reproducible by photocopy or other mechanical or electronic means.
- F. "Record Series" means a group of records that can be treated as a unit for purposes of designation, description, management, or disposition.
- G. "Schedule" means the process of specifying the length of time each record series should be retained by a governmental entity for administrative, legal, fiscal, or historical purposes and when each record series should be transferred to the state archive or destroyed.
- H. "UCIP" means the Utah Counties Indemnity Pool.

#### **SECTION VI. Policy Statements.**

- A. UCIP will comply with the Public Records Management Act.
- B. UCIP will maintain an agency-specific record series approved by the State Records Committee.

#### **SECTION VII. Procedures and Responsibilities.**

- A. Government records cannot be disposed of or destroyed in contravention of a legally approved retention schedule.
- B. UCIP's CAO submits proposed retention schedules of records for final approval to the State Records Committee.
- C. UCIP's CAO reports the designation (primary classification) of each record series it maintains to the State Archives.

#### **SECTION VIII. Revision History.**

- A. Original Adoption: September 23, 2005
- B. Revised: February 16, 2006



C. Revised: April 18, 2006

D. Revised: June 21, 2019

**SECTION IX. Appendices.**

A. UCIP Agency-Specific Records Retention Schedule.



Utah Counties Insurance Pool

## JOINT POLICY RECORDS RETENTION

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The following establishes categories of records and a records retention policy for UCIP staff to follow in the efficient management of UCIP records. The destruction of any records must be approved in advance by the UCIP Board of Trustees and the Division of State Archives.

**Series 26024 – Multiline Claims Records:** All records associated with claims made against members and referred to UCIP. All closed claims, with no recorded activity, will be maintained in office for 5 years then transferred to State Records for 15 years. All closed claims with no recorded activity for 20 years may be destroyed.

**Series 26025 – Workers' Compensation Claims Records:** Medical only claims with no recorded activity after 5 years may be destroyed. Indemnity claims are to be kept until 3 years after the death of the claimant and then destroyed.

**Series 26026 – Coverage Documents or Insurance Policies:** Claims-made coverage documents and/or insurance policies will be maintained for 15 years following the expiration of any tail coverage or an extended reporting period and then destroyed.

**Series 26121 – Coverage Documents or Insurance Policies:** All coverage agreements and/or insurance policies of an occurrence basis will be maintained in perpetuity.

**Series 26027 – Underwriting Records, UCIP Coverages:** These records are to be maintained for 5 years following the close of an underwriting period and may be transferred to State Records for 10 years then destroyed.

**Series 26028 – Underwriting Records, Agency Placements for Members:** These records are to be maintained for 5 years following the expiration date of the policy and then destroyed.

**Series 26029 – Loss Prevention Records:** All loss prevention records will be maintained for 12 years and then destroyed. This will include records of inspections, training, recommendations to members, and activities related to incentive programs.

**Series 26105 – Board of Trustee Minutes:** These records are minutes of regular and special meeting of the UCIP Board of Trustees. They are used to document the actions and decisions of the Board pursuant to their official duties. All related materials are attached to these minutes. Minutes and supporting materials will be maintained permanently and may be transferred to the State Archives. Tape recordings of the proceedings of regular and special meetings are used to create the official minutes. Tape recordings will be maintained for 1 year after approval of the official minutes and then destroyed. Tape recordings of closed meetings will be maintained indefinitely.

**Series 26122 – Personnel Records:** UCIP will maintain records of all personnel for 65 years or 3 years after retirement or death, whichever is shorter, then destroyed.

**Series 26123 – Audit Records and Financial Records:** All financial records will be retained permanently. Records will be maintained in office for 5 years, transferred to the State Records Center for 10 years, and then transferred to State Archives.

Revised 8/13/07

**UTAH COUNTIES INDEMNITY POOL  
AGENCY-SPECIFIC RECORDS RETENTION SCHEDULE**

**Series 26024—~~Multiline~~ Claims Records**

All records associated with claims made against members and referred to UCIP. All closed claims, with no recorded activity, will be maintained in office for ~~5-five~~ years then transferred to State Records for 15 years. All closed claims with no recorded activity for 20 years may be destroyed.

**Series 26025—~~Workers' Compensation Claims Records~~**

~~Medical only claims with no recorded activity after 5 years may be destroyed. Indemnity claims are to be kept until 3 years after the death of the claimant and then destroyed.~~

**Series 26026—Bylaws Coverage ~~Documents-Addendum~~ or Insurance Policies:**

Claims-made coverage ~~documents-addendum~~ and/or insurance policies will be maintained for ~~15-20~~ years following the expiration of any tail coverage or an extended reporting period and then may be destroyed.

**Series 26121—Bylaws Coverage ~~Documents-Addendums~~ or Insurance Policies:**

All coverage ~~agreements-addendums~~ and/or insurance policies of an occurrence basis will be ~~maintained in perpetuity/retained permanently~~.

**Series 26027—Underwriting Records, UCIP Coverages:**

These records are to be maintained for ~~5-five~~ years following the close of an underwriting period and may be transferred to State Records for 10 years then destroyed.

**Series 26028—Underwriting Records, Agency Placements for Members:**

These records are to be maintained for ~~5-five~~ years following the expiration date of the policy and then destroyed.

**Series 26105—Board of ~~Trustee-Director Meeting Minutes and Recordings~~:**

These records are minutes of regular and special meeting of the UCIP Board of ~~TrusteesDirectors~~. They are used to document the actions and decisions of the Board pursuant to their official duties. All related materials are attached to these minutes. Minutes, ~~and~~ supporting materials and recordings will be maintained permanently and may be transferred to the State Archives. ~~Tape recordings of the proceedings of regular and special meetings are used to create the official minutes. Tape recordings will be maintained for 1 year after approval of the official minutes and then destroyed. Tape recordings of closed meetings will be maintained indefinitely.~~

**Series 26122—Personnel ~~RecordsFiles~~:**

These records are retained permanently. Inactive personnel files are retained in office for five years following the employee's separation from UCIP and then transferred to State Archives. UCIP will maintain records of all personnel for 65 years or 3 years after retirement or death, whichever is shorter, then destroyed.

**Series 26123—Audit Records and Financial Records:**

All financial records will be retained permanently. Records will be maintained in office for ~~5-five~~ years, transferred to the State Records Center for 10 years, and then transferred to State Archives.

## **UTAH COUNTIES INDEMNITY POOL UNDERWRITING POLICY**

### **SECTION I. Effective Date and Frequency of Review.**

- A. The effective date of this policy is June 21, 2019.
- B. This policy should be reviewed annually, but not less than every three years by the Board of Directors.
- C. This policy should also be reviewed at any time that changes to laws or rules governing Liability Reserve Funds are amended or recommendations are made by the UCIP CEO or CFO, which would require review and update to this policy.
- D. Failure to review this policy in the frequency stated shall not nullify, void, limit or waive this policy or any action taken under this policy.
- E. This policy is considered to be amended at the time any new federal or state law becomes effective which conflicts with this policy, but only to the extent necessary to come into compliance with new law.

### **SECTION II. Purpose.**

- A. The purpose of this policy is to establish the Board's policy regarding eligibility of membership, assessing risk associated with the operations of current and prospective Members and the methods used to determine Member contributions to the Pool.

### **SECTION III. Authority.**

- A. The Board has authority to adopt this policy under the UCIP Interlocal Agreement.

### **SECTION IV. Applicability and Scope.**

- A. This policy is applicable to activities of staff related to determining membership eligibility, assessment of risk of current and potential Members and calculation of Member contributions to the Pool.

### **SECTION V. Definitions.**

- A. "Board" means the Board of Directors of the Utah Counties Indemnity Pool.
- B. "Pool" means the Utah Counties Indemnity Pool.
- C. "UCIP" means the Utah Counties Indemnity Pool.



## **SECTION VI. Policy Statements.**

- A. The Board has a fiduciary responsibility to assure adequate contributions are charged based on the risk a Member or prospective Member presents to the Pool to protect the financial wellbeing of UCIP.
- B. The Board recognizes the homogeneity of its membership and believes that the underwriting process should be as simplified as possible to address the need for adequate underwriting of Members and prospective Members, while limiting the amount of time and effort required of Members in providing UCIP with underwriting data.
- C. To maintain stability of costs of contributions of individual Members, individual Member experience will not be utilized in determining contributions to the Pool. Individual Member experience is considered as part of the UCIP Dividend Policy.
- D. The Board believes the cost of Pool Membership should be equitable, therefore all Members will be charged the same rate for similar exposures. No crediting or debiting of rates or contributions is allowed unless special circumstances require such action, which must be approved by action of the Board. This policy statement does not prohibit the development of different rates for Members with specific operations to account for varying risks Members present to the Pool. Membership in the Pool is limited to Utah counties and county related entities that properly enter into the Interlocal Cooperation Agreement.

## **SECTION VII. Procedures and Responsibilities.**

- A. Staff shall develop, maintain and follow the procedures of an Underwriting Manual to assure adherence to this Policy.
- B. The Board shall no later than August 31 of each year adopt rates for the prospective Pool fiscal year based on an actuarial rate study and the recommendation of staff.
- C. Staff shall utilize the rates approved by the Board each year and apply the guidelines of the Underwriting Manual to calculate contribution estimates for each Member for the prospective Pool fiscal year, and provide such estimates to the Members no later than September 30 of each year. Staff shall provide the Board with final Member contribution calculations based on approved rates, Underwriting Manual guidelines and updated Member exposure information no later than December 31 of each year for the Board's final approval of Member contributions in compliance with the UCIP Interlocal Agreement.

## **SECTION VIII. Revision History.**

- A. Adopted:

## **SECTION IX. Appendices.**

- A. UCIP Underwriting Manual



## **UTAH COUNTIES INDEMNITY POOL UNDERWRITING MANUAL**

This manual provides procedures and guidelines when compiling and assessing existing and prospective Member exposures in establishing their level of risk, to communicate findings to the Pool actuary, reinsurance carriers and in-house claims management specialists, and to establish program costs that protect the Pool's net assets and provide for a stable, financially secure and competitive risk financing structure for Members.

Quality of membership is important to the success of the Pool. Selection of qualified members and continuation of existing Members' commitment to quality is achieved through the underwriting process of reviewing exposures, loss experience and management.

### **SECTION I. Definitions.**

- A. "Actual Cash Value" means the amount it would cost to repair or replace covered property, on the date of loss, with material of like kind and quality, with proper deduction for obsolescence and physical depreciation.
- B. "Additional Defense" means that the Pool's reinsurance coverage will pay up to \$1M in defense expenses in addition to the policy limit of \$5M.
- C. "Agreement" means the UCIP Interlocal Cooperation Agreement.
- D. "ATV" means All-Terrain Vehicle, a small motor, off-highway vehicle with three or four wheels that is designed for use on various types of terrain. Also called Utility Vehicle or Utility Task Vehicle (UTV).
- E. "Board" means the UCIP Board of Directors.
- F. "Clash Coverage" provides that the Pool will pay for a loss up to the retention once, for a multi-member occurrence, when the loss exceeds the retention.
- G. "Construction" means buildings under the course of construction, new additions and/or remodel projects. Building value is the total anticipated cost of the project upon completion.
- H. "Contents" means items that are not permanently fixed to a building such as office furniture, filing cabinets, office supplies, small tools and appliances.
- I. "Coordinator" is the Risk Coordinator designated by the Member governing body as the liaison between the Member and the Pool.

- J. "Cost Index" in construction is determined by several factors considered on a nationwide basis, including labor rates and productivity, material prices and the competitive condition of the marketplace.
- K. "Drone" means Unmanned Aircraft System (UAS) or Unmanned Aerial Vehicle (UAV) an aircraft without a human pilot onboard guided by remote control or onboard computer.
- L. "EDP" means Electronic Data Processing equipment such as audio-visual equipment, computers, monitors and printers.
- M. "Excess Insurance" extends the limit of the Pool's retention.
- N. "Exposure" means the basic unit to evaluate the level of risk and rating.
- O. "Fine Art" means paintings, etchings, pictures, tapestries, rare or art glass, art glass windows, valuable rugs, statuary, sculptures, antique furniture, antique jewelry, bric-a-brac, porcelains and similar property or rarity, historical value or artistic merit excluding automobiles, coins, stamps, furs, jewelry, precious stones, precious metals, watercraft, aircraft, money, securities. Fine Art objects, pairs or sets over \$10,000 in value or any collection of fine art over \$250,000 at any one location must be scheduled with the Pool and are sublimited to the reported value.
- P. "Member" means each of the entities that have entered into the Utah Counties Indemnity Pool Interlocal Cooperation Agreement.
- Q. "Miscellaneous Contents" means items not stored onsite or scheduled at a specific location.
- R. "Mobile Equipment" means non-street licensed equipment such as diggers, earthmovers, farm machinery, forklifts, generators, golf carts, loaders, tractors, snow cats and equipment mounted trailers.
- S. "Motorcycle" means an automotive vehicle with two in-line wheels licensed for use on public roads.
- T. "Pool or UCIP" means the Utah Counties Indemnity Pool.
- U. "Property in the Open" means items not affixed to a building such as fences, light posts and signs.
- V. "Reinsurance" means insurance for other insurance companies. Each reinsurance agreement commits one covering insurer, or reinsurer, to protect against potential losses arising from insurance liabilities issued by the covered insured, or ceding insurer.
- W. "Replacement" means the cost or value as of the date of loss.

- X. "Reproduction" means the cost to repair, rebuild or replace with material of like kind and quality compatible to those originally used, including the cost of skilled labor and/or authentic materials necessary to restore the property as nearly as possible to its original condition.
- Y. "Retention" means the amount specified by the UCIP Board of Directors that will be the maximum paid by the Pool for any one loss.
- Z. "Snowmobile" means an open vehicle for one of two persons with steerable skis on the front and an endless belt at the rear for travel on snow.
- AA. "Terrorism" means that the Pool reinsurance coverage removes acts of terrorism exclusions.
- BB. "Trailer" means unpowered cargo, dump, flat-bed or utility nonautomotive vehicle designed to haul cargo/freight by road.
- CC. "Underwriting" means the evaluation of risk and exposures to determine the amount of coverage needed and the cost of that coverage.
- DD. "UTV" means Utility Task Vehicle, a small two to six-person four-wheel drive off-road vehicle.
- EE. "Vehicle" means street licensed ambulances, automobiles, buses, semi-trucks, sport utility vehicles (SUV), trucks and vans.
- FF. "Watercraft" means any and all water transport vessel 26 feet and under in length.
- GG. "WCF" means WCF Insurance, UCIP joint purchase workers compensation program.

## **SECTION II. Procedures.**

### **A. Membership Eligibility**

1. Membership in the Pool is limited to Utah counties and county related entities that properly enter into the Agreement.
2. Counties and county related entities, including former Members, may be admitted to the Pool after its formation only upon approval of the Board and subject to the conditions set out in the Agreement, these Bylaws and such additional conditions as the Board may from time to time require.
3. County related entities may participate in UCIP as a separate Member pursuant to the following:
  - a. To be eligible as a separate UCIP Member a county related entity must:

- (i) Have statutory authority to enter into an Interlocal Agreement;
  - (ii) Be able to meet the Member obligations enumerated in the UCIP Interlocal Agreement and Bylaws;
  - (iii) Be sponsored by a participating Member County by resolution of the Member's governing body; and
  - (iv) Provide services which are beneficial to the sponsoring Member County or county government generally.
- b. In addition to the requirements of eligibility under 3.a.:
- (i) A county related entity that is an Interlocal Agency must be organized and operated pursuant to Title 11, Chapter 13 of the Utah Code, and the Sponsoring Member must be a member of the Interlocal Agency.
  - (ii) A county related entity that is a Special Service District must be organized and operated pursuant to Title 17D, Chapter 1 of the Utah Code.
  - (iii) A county related entity that is a Local Building Authority or Municipal Building Authority must be organized and operated pursuant to Title 17D, Chapter 2 of the Utah Code.
  - (iv) A county related entity that is a Conservation District must be organized and operated pursuant to Title 17D, Chapter 3 of the Utah Code.
  - (v) A county related entity that is a Local District must be organized and operated pursuant to Title 17B of the Utah Code, and all members of the Board of the Local District must be appointed by the governing body of the Sponsoring Member.
  - (vi) A county related entity that is a Recreation Board must be organized and operated pursuant to Title 11, Chapter 2 of the Utah Code.
  - (vii) A county related entity that is a Community Development or Renewal Agency must be organized and operated pursuant to Title 17C, Chapter 1 of the Utah Code.
  - (viii) A county related entity that is a County Health District or multi-county Health District must be organized pursuant to Title 26A of the Utah Code.

**B. Member Obligations**

1. Designate a Risk Coordinator who shall act as the Member's primary contact with the Pool.
2. Allow the Pool, its Chief Executive Officer, agents, contractors, employees and officers reasonable access to all facilities and records of the Member as required for the administration of the Pool and implementation of the Agreement, the Bylaws and policies of the Board.
3. Provide information requested by the Pool, its Chief Executive Officer, and any other agent, contractor, employee or officer of the Pool, as reasonably required for the administration of the Pool.
4. Report to the Pool, in the form and within the time required by the Board, the addition of new programs, facilities and exposures or the significant reduction or expansion of existing programs and facilities covered under the Coverage Addendum of these Bylaws.
  - a. The Board requires rates to be approved in August so that a budget estimate of contribution can be provided to each member in September. Therefore, updated member exposures must be received by Pool management no later than June 30 to begin the underwriting process.

**SECTION III. Underwriting and Rating Process**

**A. County Members—Exposure Information Collection**

1. Each ATV/UTV: year, make, model, serial number, purchase price, leased/owned, department assigned.
2. Each Construction Project: building use, owner of project, project type, location name, address, construction period, construction type, roof type, number of stories, square footage, building value, funding source, estimated construction cost, project stage, project manager contact information, architect contact information, construction contracts, construction budget, construction schedule, rendering and site plan.
3. Each Drone: year, make model, serial number, weight, purchase price, location stored, description of use, operated under FAA certificate of authority or part 107.
4. Exposures Questions: population, all employee count (including law enforcement), all law enforcement employees, full-time employees (including law enforcement), full-time law enforcement employees, number of EMTs/Paramedics, number of nurses, number of county attorneys, number of deputy county attorneys, number of justice court judges, total revenues (audited

reported to the state transparency website or current budgeted), non-owned drones (county facility used as training/testing site), number of jail cells, square footage of jail, health clinic square footage, miles of waterfront, number of piers, number of dams, number of water parks, number of swimming pools, number of skate parks, number of climbing walls, number of amusement parks, number of stadiums, number of fairs, number of fireworks exhibitions, number of zoos.

5. Each Mobile Equipment Unit: year, make, model, serial number, purchase price, leased/owned, department assigned.
6. Each Motorcycle: year, make, model, vehicle identification number (VIN), purchase price, leased/owned, license plate number, department assigned.
7. Estimated Payroll: payroll for upcoming fiscal year estimated by using prior year audited payroll, current year actual payroll and any anticipated payroll increases (see *includable/excludable/overtime guide* appendices number one). Payroll by Utah required classification codes 5509 (road), 7710 (firefighters), 7711 (firefighters-volunteer), 8810 (clerical), 9416 (county). Due to reinsurance underwriting requirements, counties are required to break out the emergency (EMTs and law enforcement) employees from code 9416 (county) and report emergency payroll.
8. Each Property/Building: location name, address, city, county, state, postal code, building value, value affirmed (replacement cost, reproduction value or actual cash value), historical valuation (see National Register of Historic Places for Utah's Counties), contents value, EDP value, fine arts value, miscellaneous contents value, property in the open value, latitude, longitude, year built, year renovated, square footage, number of stories, basement, number of buildings, flood zone, flood policy (NFIP) in place, finished floor elevation, boiler, sprinkler type, security systems, fire alarms, percent of building vacant, year roof built/rebuilt, roof anchorage, roof deck, roof geometry, room pitch, roof covering attachment, roof system covering.

Each Member owned Property/Building is professionally appraised by a certified appraiser on a five-year rotation. The data contained in each qualified appraisal is used to underwrite and rate each Property/Building. Members are responsible to provide location name, address, city, postal code, value affirmation, contents value, EDP value, fine arts value, miscellaneous contents value.

The contracted appraisal firm provides an estimated construction Cost Index percentage, each year, to the Pool. The percent increase/decrease should be applied to each Property/Building that is not scheduled to be appraised. This practice aids in the stability of the Property/Building values increasing/decreasing gradually.



9. Each Snowmobile: year, make, model, serial number, purchase price, leased/owned, department assigned.
10. Each Trailer: year, make, model, vehicle identification number (VIN), purchase price, leased/owned, license plate number, department assigned.
11. Each Vehicle: year, make, model, vehicle identification number (VIN), purchase price, leased/owned, license plate number, department assigned.
12. Each Watercraft: year, make, model, length, serial number, purchase price, description of use, department assigned.

B. County Members—Rating for Pool Retention

UCIP utilizes the expertise of professional actuaries to provide a range of indications needed to cover expected losses and expenses. Based on Member loss experience (limited to UCIP's Retention) actuaries use assumptions, quantitative analysis and professional judgement to estimate the indicated liability and property contributions at an expected level of confidence. Estimates are also provided above the expected level to provide a safety margin. Expected is an average (break-even) level, whereas levels higher may increase surplus.

The actuary provides an indicated rate by line of coverage: automobile liability, general liability, law enforcement liability, public officials liability and property by using the estimated expected level. Past practice of the Pool is to use indicated contributions undiscounted for investment income at a level higher than expected when rating for the Pool's retention. Using the rates provided by the actuary, the Pool formulates each rate to meet the level approved by the Board.

1. Number of Licensed Vehicles used to rate Auto Liability.
2. Number of All Full-Time Employees used to rate General Liability.
  - a. Full-time employees include law enforcement employees.
3. Number of Full-Time Law Enforcement Employees used to rate Law Enforcement Liability.
  - a. Law enforcement employees include: the elected or appointed sheriff, his/her appointed/hired undersheriff, deputy(ies), bailiffs, constables, dispatchers, jailors, youth center attendants and any other law enforcement official, officer, auxiliary officer, employee or volunteer engaged in law enforcement activities for and on behalf of the member.
4. Number of All Full-Time Employees used to rate Public Officials Liability.

5. Statement of Values used to rate Property.
  - a. Purchase price of any and all ATV/UTV, Drones, Mobile Equipment, Motorcycles, Snowmobiles, Trailers, Vehicles and Watercraft.
  - b. Appraised replacement cost of all owned Buildings/Properties including Property in the Open. Actual cash value or reproduction value may be used upon written notice to the Pool from the Member pursuant to the valuation requirements contained in the Bylaws Coverage Addendum.
  - c. The contribution for property is calculated at the total statement of values, divided by \$100, times the rate.
  - d. Members may opt for a higher property deductible.
    - (i) The Pool's actuary will provide a deductible factor based on the higher deductible requested by the member.
    - (ii) The total statement of values for buildings, property in the open, contents, electronic data processing equipment, contents, fine arts and miscellaneous property will be used to rate the contribution for a higher deductible.
    - (iii) The contribution for property, with a higher deductible, is the total statement of values, divided by \$100, times the deductible factor.
6. Audit reported Revenue used to rate Crime.
  - a. As defined in the Utah Administrative Services Code, Division of Finance, local government entities are required to participate in reporting public financial information to the Utah Public Finance Website: [transparent.utah.gov](http://transparent.utah.gov). One of the types of financial information required is independent audited revenues. UCIP uses the most recent member reported independent audited revenues from the Website for each member to rate for crime coverage. In the event a member has not reported to the Website, UCIP will use the most recent budgeted revenues approved by the member governing body and reported, as required, to the Office of the State Auditor.
  - b. The contribution for crime is calculated at the total revenue amount, divided by \$1,000, times the rate.
7. Number of Full-Time Employees used to rate Privacy Security Event Coverage (Cyber Liability).
8. Number of Drones (Unmanned Aircraft System (UAS)).

- a. If a member has a non-owned drone exposure, meaning the member has a training and/or testing site that is owned by the member, then a rate will be determined for general liability purposes.
  - b. A rate, using the number of owned drones, will be determined for general liability purposes.
9. An additional rate may be determined for high risk exposures as reported under the exposure questions such as dams, water parks, swimming pools, skate parks, climbing walls, amusement parks, fireworks exhibitions, zoos.

C. County Members—Rating for Reinsurance

1. UCIP is a member of a Pool for Pools to cover catastrophic loss costs in excess of the Pool's retention. Members are directly involved in the negotiation process of purchasing coverage for the reinsurance program at the lowest cost possible. The more detailed exposure data provided to the reinsurance carrier the better the negotiation power to lower cost of reinsurance premiums.
2. Rates determined by the reinsurer are provided to the Pool in November of each year. Because this does not meet the required time-line for the Pool to provide budget estimates to its members, prior year reinsurance rates are used for the underwriting process.
3. The reinsurer provides the Pool with rates based on the number of full-time employees for the following lines of coverage:
  - a. Automobile Liability
  - b. Privacy Security Event (Cyber Liability)
  - c. General Liability
  - d. Public Officials Liability
4. The reinsurer provides the Pool with rates based on the number of full-time law enforcement officers for the following line of coverage:
  - a. Law Enforcement Liability
5. Reinsurance rates change based on each layer of coverage.
6. The reinsurer provides the Pool with rates for property coverage based on the total statement of values.

- a. Based on earthquake modeling, a rate is provided for counties in a high seismic hazard area.
  - b. Based on earthquake modeling, a rate is provided for counties in a low seismic hazard area.
  - c. The member contribution for property reinsurance is calculated at the total statement of values, divided by \$100, times the rate.
- 7. The reinsurer charges the Pool a premium for additional coverages requested by the Pool for its members. UCIP calculates a rate for the following coverage based on the total premium charged to procure the coverage from the reinsurance carrier:
  - a. Additional Defense
  - b. Clash Coverage
  - c. Terrorism

The total of the contributions calculated for automobile liability, general liability, law enforcement liability and public officials liability, for each layer of coverage, divided by the reinsurance premium is the rate for each line of coverage.

D. County Members – Rating for Excess Crime Insurance

- 1. UCIP calculates a rate for excess crime coverage based on the total premium charged to procure higher limits of coverage from an insurance market.
- 2. The member contribution for excess crime is calculated at the total member revenue amount, divided by \$1,000, times the rate.

E. County Related Entity Members—Exposure Information Collection

UCIP strives to have continuity, wherein data collected from the county members is also collected from county related entity members, where applicable.

The basis for collecting exposure information for county related entities may vary depending on the services the entity provides.

F. County Related Entity Members—Rating for Pool Retention

- 1. Number of Licensed Vehicles used to rate Auto Liability.
- 2. Number of All Full-Time Employees used to rate General Liability.

- a. If a county related entity member does not have any full-time employees then UCIP will use the number of executive board members, e.g., president, vice president, secretary, to rate general liability.
  - b. If a county related entity member has less than three full-time employees then UCIP will use the number of executive board members, e.g., president, vice president, secretary, to rate general liability.
3. Number of All Full-Time Employees used to rate Public Officials Liability.
  - a. If a county related entity member does not have any full-time employees then UCIP will use the number of executive board members, e.g., president, vice president, secretary, to rate public officials liability.
  - b. If a county related entity member has less than three full-time employees then UCIP will use the number of executive board members, e.g., president, vice president, secretary, to rate public officials liability.
4. Statement of Values used to rate Property.
  - a. Purchase price of any and all ATV/UTV, Drones, Mobile Equipment, Motorcycles, Snowmobiles, Trailers, Vehicles and Watercraft.
  - b. Appraised replacement cost of all owned Buildings/Properties including Property in the Open. Actual cash value or reproduction value may be used upon written notice to the Pool from the Member pursuant to the valuation requirements contained in the Bylaws Coverage Addendum.
  - c. The contribution for property is calculated at the total statement of values, divided by \$100, times the rate.
  - d. Members may opt for a higher property deductible.
    - (i) The Pool's actuary will provide a deductible factor based on the higher deductible requested by the member.
    - (ii) The total statement of values for buildings, property in the open, contents, electronic data processing equipment, contents, fine arts and miscellaneous property will be used to rate the contribution for a higher deductible.
    - (iii) The contribution for property, with a higher deductible, is the total statement of values, divided by \$100, times the deductible factor.
5. Audit reported Revenue used to rate Crime.

- a. As defined in the Utah Administrative Services Code, Division of Finance, local government entities are required to participate in reporting public financial information to the Utah Public Finance Website: [transparent.utah.gov](http://transparent.utah.gov). One of the types of financial information required is independent audited revenues. UCIP uses the most recent member reported independent audited revenues from the Website for each member to rate for crime coverage. In the event a member has not reported to the Website, UCIP will use the most recent budgeted revenues approved by the member governing body and reported, as required, to the Office of the State Auditor.
    - b. The contribution for crime is calculated at the total revenue amount, divided by \$1,000, times the rate.
  - 6. Number of Full-Time Employees used to rate Privacy Security Event Coverage (Cyber Liability).
    - a. If a county related entity member does not have any full-time employees then UCIP will use the number of executive board members, e.g., president, vice president, secretary, to rate privacy security event coverage.
    - b. If a county related entity member has less than three full-time employees then UCIP will use the number of executive board members, e.g., president, vice president, secretary, to rate privacy security event coverage.
  - 7. Number of Drones (Unmanned Aircraft System (UAS)).
    - a. If a member has a non-owned drone exposure, meaning the member has a training and/or testing site that is owned by the member, then a rate will be determined for general liability purposes.
    - b. A rate, using the number of owned drones, will be determined for general liability purposes.
  - 8. An additional rate may be determined for high risk exposures as reported under the exposure questions such as dams, water parks, swimming pools, skate parks, climbing walls, amusement parks, fireworks exhibitions, zoos.
- G. County Related Entity Members—Rating for Reinsurance
- 1. UCIP is a member of a Pool for Pools to cover catastrophic loss costs in excess of the Pool's retention. Members are directly involved in the negotiation process of purchasing coverage for the reinsurance program at the lowest cost possible. The



more detailed exposure data provided to the reinsurance carrier the better the negotiation power to lower cost of reinsurance premiums.

2. Rates determined by the reinsurer are provided to the Pool in November of each year. Because this does not meet the required time-line for the Pool to provide budget estimates to its members, prior year reinsurance rates are used for the underwriting process.
3. The reinsurer provides the Pool with rates based on the number of full-time employees for the following lines of coverage:
  - a. Automobile Liability
  - b. Privacy Security Event (Cyber Liability)
  - c. General Liability
  - d. Public Officials Liability
4. Reinsurance rates change based on each layer of coverage.
5. The reinsurer provides the Pool with rates for property coverage based on the total statement of values.
  - a. Based on earthquake modeling, a rate is provided for counties in a high seismic hazard area.
  - b. Based on earthquake modeling, a rate is provided for counties in a low seismic hazard area.
  - c. The member contribution for property reinsurance is calculated at the total statement of values, divided by \$100, times the rate.
6. The reinsurer charges the Pool a premium for additional coverages requested by the Pool for its members. UCIP calculates a rate for the following coverage based on the total premium charged to procure the following coverages from the reinsurance carrier:
  - a. Additional Defense
  - b. Clash Coverage
  - c. Terrorism

The total of the contributions calculated for automobile liability, general liability, law enforcement liability and public officials liability, for each layer of coverage, divided by the reinsurance premium is the rate for each line of coverage.

H. County Related Entity Members—Rating for Excess Crime Insurance

1. UCIP calculates a rate for excess crime coverage based on the total premium charged to procure higher limits of coverage from an insurance market.
2. The member contribution for excess crime is calculated at the total member revenue amount, divided by \$1,000, times the rate.

I. County Related Entity Members—Minimum Contributions

1. The total contribution for each member must be \$250 or greater for the Pool Retention. Otherwise, a minimum contribution of \$250 will apply.
2. The reinsurer charges the Pool a minimum premium, per \$1,000,000 of coverage, for smaller entities that do not have a lot of exposures. Those minimums will be applied to county related entity members whose calculated contributions are less than the reinsurance premium minimums.

J. County Related Entity Members—Minimum Liability Limits

1. The minimum liability limits that the Pool will rate county related entity members will be no less than the aggregate limit of an individual award in relation to a single occurrence pursuant to the Governmental Immunity Act of Utah.

### UCIP Membership Application Summary

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Name of Entity: Sanpete County Municipal Building Authority

Sponsoring County: Sanpete County

Type of Membership Applied for: Non-Equity

Enabling Statutes and Services Provided: 17A

Risk Factors:

Property - 0

Auto - 0

Employees - 0

Board Members - 3

Liability - 0

Loss History - 0

Additional Notes:

Proposed Liability Limits: \$5,000,000

Current Liability Limits: N/A

UCIP Annual Contribution: \$2,449

Current Insurance Premium: N/A

Staff Recommendation: Approve Membership

